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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
UPDATE ON INTERNET FINANCE BUSINESS DEVELOPMENT

This is a voluntary announcement made by SRE Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) in relation to the latest development on internet finance business of the Group.

Reference is made to our voluntary announcement dated 25 September 2014 in respect of the establishment of China Internet Finance Services Co., Ltd. (“**Internet Finance**”) and the development of internet finance business.

The board of directors (the “**Board**”) of the Company is pleased to announce that:

1. Internet Finance has basically completed establishing a one-stop O2O service platform - “i love e-home”. “i love e-home” is a community service platform focusing on providing finance and other auxiliary services to mainly households. Through the four major segments including community finance, community commerce, maternal and child health and leisure, the platform provides nearly 100 kinds of services to residents in various communities. “i love e-home” currently has over 50,000 registered users in Shanghai and plans to use its best endeavors to extend its presence to cities including Shenyang in Liaoning Province, Sanya and Haikou in Hainan Province, Wuxi in Jiangsu Province, Jiaxing in Zhejiang Province and Chengdu in Sichuan Province. In its future development, “i love e-home” can through analysing the records of users’ demands/needs obtain useful information which can be passed on to offline businesses. This will facilitate seamless communication between businesses and consumers and boost the transaction volume on the platform.

2. In the segment of community finance, “i love e-home” has successfully launched “e-home Gain No.1 (e 家盈一號)” for the Group, its first financial product offered in the public domain. The product helped raised RMB 30 million in 5 days. Up to now, products offered on the platform have raised an aggregate amount of approximately RMB 400 million for various issuers. The community finance segment of “i love e-home” also intends to launch cash management products featuring the flexibility that investors are free to subscribe and exit at any time, and build e-payment functions for consumptions on the platform. It is hoped that all these will help promote the loyalty of users towards “i love e-home” and the value of their money.
3. The segment of community commerce is based on basic family needs, aiming to provide one-stop service to families in various communities. In order to achieve this goal, “i love e-home” in 2014 joined hands with nearly 100 businesses to offer nearly 5000 types of commodities and opened 6 off-line physical stores. In 2015, “i love e-home” will continue to build its supply chain. It plans to construct a logistics centre in Jinshan, Shanghai and set up 10 service kiosks and a wealth management centre specialised in selling financial products in Shanghai. Through brand building, the platform would like to gain an edge over others in terms of quality, quantity, product range and prices of the goods it offers.
4. The maternal and child health segment issued the first phase of “Jia You Bao (家優寶)”, a product that has both the attributes of investment and consumption, for Lake Malaren Maternity Hospital in October 2014. The sales amounted to circa RMB 30 million. The maternal and child health segment is now (i) looking into cooperation with institutions such as Shanghai Lake Malaren Maternity Hospital and Beijing Medical Group to launch different products, for example, video-conferencing consultation system, hoping to attract more users through these new offers; (ii) designing products with the attribute of insurance on top of their investment and wealth management features to further develop its market.
5. The leisure segment is mainly based on the integrated leisure project of the Group in the Disney ancillary service area, and includes five elements including hotel, catering, regimen, entertainment and others. While providing businesses contemplating to move into the area with a convenient and comprehensive channel for them to build their information pack online, the leisure segment can attract a large amount of platform users. At the same time, with the benefits of such a big volume of platforms users, it can generate income by providing businesses with value-added services such as online advertisements and big data analysis.

6. Looking forward, the platform of “i love e-home” will become a family-focused community service platform pivoting on finance business. With its core professional team, and with full co-operation amongst different segments and seamless interfaces between them, it is dedicated to build Internet Finance into an ecological company oriented toward the entire internet population and organically connected with different dimensions of human life.

As the internet business of the Company is still at its early stage and is yet to become mature, there is no assurance that the Company will be able to successfully implement its business strategies and that the business will become profitable. Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the shares of the Company.

By Order of the Board of Directors of
SRE GROUP LIMITED
Shi Jian
Chairman

Hong Kong, 27 January 2015

As at the date hereof, the Board comprises six executive directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng, 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. Zhuo Fumin, Mr. Chan, Charles Sheung Wai, Mr. Yang Chao and Mr. Guoping.

** For identification purpose only*