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

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group, the Group expects to record a significant decrease in the revenue for FY2014 as compared to the revenue for FY2013, and to record a loss in the consolidated net profit attributable to the owners of the Company the extent of which is subject to audit.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by SRE Group Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group, the Group expects to record a significant decrease in the revenue for the year ended December 31, 2014 (“**FY2014**”) as compared to the revenue for the year ended December 31, 2013 (“**FY2013**”), and to record a loss in the consolidated net profit attributable to the owners of the Company the extent of which is subject to audit. The significant decrease in the revenue and the record of a loss in the consolidated net profit attributable to the owners of the Company are mainly attributable to the slackening of the property market in mainland China which resulted in a decline in both property sales and its gross margin.

As the Company is still in the process of finalizing the consolidated annual results of the Group for FY2014, the information contained in this announcement is only based on the preliminary review and assessment by the Board of the unaudited management accounts of the Group and other information currently available, and such information has not been audited by the Company's auditor. Shareholders of the Company and potential investors are advised to read carefully the announcement of the annual results of the Group for FY2014 which is expected to be released in late March 2015.

Shareholders of the Company and potential investors are 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, 18 March 2015

As at the date hereof, the Board comprises six executive directors, namely Mr. Shi Jian, Mr. Wang Zi Xiong, Mr. Zhang Hongfei, Mr. Shi Lizhou, Mr. Ma Dayu and Mr. Li Genfa ; 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*