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*(Incorporated in Bermuda with limited liability)*

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**(1) MAJOR TRANSACTIONS IN RELATION TO THE  
PROVISION OF FINANCIAL ASSISTANCE;  
(2) DISCLOSURE PURSUANT TO RULE 13.16 OF  
THE LISTING RULES;  
AND  
(3) BREACHES OF THE LISTING RULES**

**MAJOR TRANSACTIONS IN RELATION TO THE PROVISION OF FINANCIAL ASSISTANCE**

Between August 2018 and March 2024, certain wholly-owned subsidiaries of the Company entered into the Jinxin Financial Assistance Agreements with Shanghai Jinxin pursuant to which subsidiaries of the Company had provided financial assistance to Shanghai Jinxin.

On 28 July 2020, certain wholly-owned subsidiaries of the Company entered into the Hongrongyuan Financial Assistance Extension Agreements with Changsha Hongrongyuan, pursuant to which the terms of the Hongrongyuan Loan Agreement and the Hongrongyuan Maximum Amount Loan Agreement had been amended.

**LISTING RULES IMPLICATIONS**

As each of the Jinxin Financial Assistance Agreements was entered into between certain subsidiaries of the Group and Shanghai Jinxin and was of similar nature (i.e., provision of financial assistance) with one another and was conducted on an ongoing basis, each of the Jinxin Financial Assistance Agreements, namely, the (i) Credit Enhancement Service Agreements; (ii) SRE Yijia Loan Agreements; (iii) Shanghai SRE Loan Agreements; and (iv) Shanghai Jialing Loan Agreement, may be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules.

As the highest applicable percentage ratio under the Listing Rules in respect of the Jinxin Financial Assistance Agreements, when aggregated together, exceeds 25%, the transactions contemplated under the Jinxin Financial Assistance Agreements constitute major transactions of the Company and are therefore subject to the notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As both of the Hongrongyuan Financial Assistance Extension Agreements were entered into between certain subsidiaries of the Group and Changsha Hongrongyuan within 12 months, the Hongrongyuan Financial Assistance Extension Agreements, namely, (i) the Supplemental Hongrongyuan Loan Agreement, and (ii) the Supplemental Hongrongyuan Maximum Amount Loan Agreement shall be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules.

As the highest applicable percentage ratio under the Listing Rules in respect of the Hongrongyuan Financial Assistance Extension Agreements, when aggregated together, exceeds 25%, the transactions contemplated under the Hongrongyuan Financial Assistance Extension Agreements constitute major transactions of the Company and are therefore subject to the notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, the financial assistance provided by the Group to its affiliated companies, including Shanghai Jinxin and Changsha Hongrongyuan, have exceeded 8% under the assets ratio (as defined under Rule 14.07(1) of the Listing Rules) in aggregate. Accordingly, information prescribed under Rule 13.16 of the Listing Rules is also disclosed in this announcement.

Considering that none of the Shareholders had material interests in the Jinxin Financial Assistance Agreements and the Hongrongyuan Financial Assistance Extension Agreements, and no Shareholder was required to abstain from voting if the Company were to convene a general meeting for the approval of the Jinxin Financial Assistance Agreements and the Hongrongyuan Financial Assistance Extension Agreements, the Company obtained the written Shareholder's approval from the controlling Shareholder in lieu of the holding of a general meeting in this regard pursuant to Rule 14.44(2) of the Listing Rules.

A circular containing, among others, information in relation to the Jinxin Financial Assistance Agreements and the Hongrongyuan Financial Extension Assistance Agreements, and other information required under the Listing Rules will be despatched to the Shareholders for their information on or before 16 July 2024.

## **REASONS FOR AND RECTIFICATION OF BREACHES OF THE LISTING RULES**

With the mistaken belief that the Jinxin Financial Assistance provided to Shanghai Jinxin by the subsidiaries of the Company was made pursuant to the Cooperation Framework Agreement between the Company and Zhongchong Binjiang (the details of which are set out in the First Disposal Circular) on normal commercial terms and was therefore subject to no separate disclosure procedures in accordance with the relevant requirements under the Listing Rules, the Company failed to comply with the applicable reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules, and the disclosure requirement under Chapter 13 of the Listing Rules.

As the Hongrongyuan Financial Assistance Extension Agreements were made to amend the terms of the Hongrongyuan Loan Agreement and the Hongrongyuan Maximum Amount Loan Agreement, which were entered into when Changsha Hongrongyuan was a subsidiary of the Group and neither constituted any notifiable transactions under Chapter 14 of the Listing Rules nor had any implications under Chapter 13 of the Listing Rules, the Company mistakenly believed that the Hongrongyuan Financial Assistance Extension Agreements were subject to no separate disclosure procedures in accordance with the relevant requirements under the Listing Rules, and the Company failed to comply with the applicable reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules, and the disclosure requirement under Chapter 13 of the Listing Rules as a consequence.

The Board wishes to clarify that the abovementioned breaches of the Listing Rules were inadvertent. The Company regrets such unintentional breaches of the Listing Rules and undertakes to take measures to strengthen our internal control, including but not limited to requiring our senior management to take trainings in respect of compliance of the Listing Rules in the future to prevent the recurrence of such incident.

## **INTRODUCTION**

References are made to (i) the First Disposal Circular; and (ii) the Second Disposal Circular.

As stated in the section headed "IMPLICATIONS OF THE LISTING RULES" in the Letter from the Board of the Second Disposal Circular, the Company failed to comply with certain requirements under Chapters 13 and 14 of the Listing Rules in respect of certain financial assistance provided by certain subsidiaries of the Company to Shanghai Jinxin. In the course of rectification of non-compliance of the Listing Rules, after internal review and consultation with the Company's legal advisers, the Company has become aware that certain financial assistances provided by certain subsidiaries of the Company to other joint ventures of the Company had also failed to comply with relevant requirements of Chapters 13 and/or 14 of the Listing Rules. This announcement is to fulfill the relevant disclosure requirements under the Listing Rules and to rectify such non-compliance.

## THE CREDIT ENHANCEMENT SERVICE AGREEMENTS

Reference is made to the Company's announcement dated 27 March 2022 in relation to, among other things, the Syndicated Loan owed by Shanghai Jinxin to the Lenders, in the principal amount of RMB4.45 billion, together with the accrued interest, and the Guarantees Provided by the Group. The Company further announces that Shanghai Oasis Garden, a wholly-owned subsidiary of the Company and one of the guarantors who provided a corporate guarantee and pledged all of its 18.80% equity interest in Shanghai Jinxin to the Lenders as security for the Syndicated Loan, entered into (i) the First Credit Enhancement Service Agreement with Shanghai Jinxin on 3 August 2018, and (ii) the Supplemental Credit Enhancement Service Agreement on 29 February 2024 for the purpose of adjusting the rate of the credit enhancement service fee in relevant periods and confirming the credit enhancement service fee up to the date of 30 June 2024.

Summarised below are the principal terms of the Credit Enhancement Service Agreements:

<b>Date of entering into the agreements:</b>	First Credit Enhancement Service Agreement: 3 August 2018;  Supplemental Credit Enhancement Service Agreement: 29 February 2024.
<b>Parties:</b>	Shanghai Oasis Garden, as the provider of credit enhancement service; and  Shanghai Jinxin, as the recipient of credit enhancement service.
<b>Subject matter:</b>	As Shanghai Oasis Garden has provided Shanghai Jinxin with credit enhancement service (including but not limited to a corporate guarantee and pledges on all of its 18.80% equity interest in Shanghai Jinxin) as security for the Syndicated Loan, the parties agreed that Shanghai Jinxin shall pay Shanghai Oasis Garden a credit enhancement service fee.
<b>Calculation of credit enhancement service fee pursuant to the First Credit Enhancement Service Agreement:</b>	The fee rate is 1.5%/year, calculated from the date of commencement and until the date of termination of Shanghai Oasis Garden's credit enhancement responsibility under the Syndicated Loan, and based on the amount of contingent liabilities exposure actually borne by Shanghai Oasis Garden.

**Adjustment of calculation of the credit service fee pursuant to the Supplemental Credit Enhancement Service Agreement:**

- (1) As the Lenders have suspended the Syndicated Loan since February 2019 and the guarantee risk borne by Shanghai Oasis Garden has increased, the credit enhancement service fee rate has been adjusted from 1.5%/year to 2%/year since 1 February 2019;
- (2) As the Lenders declared the immediate maturity of the Syndicated Loan and demanded full repayment on 22 September 2022 and the guarantee risk borne by Shanghai Oasis Garden has further increased, the credit enhancement service fee rate has been increased from 2%/year to 2.5%/year since 22 September 2022; and
- (3) For the avoidance of ambiguity, as of 30 June 2024, the remaining amount of credit enhancement service fee payable by Shanghai Jinxin to Shanghai Oasis Garden shall be approximately RMB545.9 million (including tax).

As is disclosed in (1) the Company's announcement dated 8 April 2024 in relation to the Disposal Agreement and (2) the Second Disposal Circular, the Company and certain subsidiaries of the Company (including Shanghai Oasis Garden) entered into the Disposal Agreement with Zhongchong Investment on 8 April 2024, pursuant to which, among other things, the parties to the Disposal Agreement agreed on the assignment of the rights under the Jinxin Debts to Zhongchong Investment, including Shanghai Oasis Garden's rights to receive the credit enhancement service fee under the Credit Enhancement Service Agreements. The Disposal Agreement shall become effective upon the Company having completed the announcement and approval procedures in respect of the transactions contemplated under the Disposal Agreement in accordance with the Listing Rules and obtained Shareholders' approval for the Disposal Agreement and the Disposal at the SGM.

Therefore, upon completion of the Disposal Agreement, which is subject to fulfillment of the conditions precedent set out in the Second Disposal Circular, Shanghai Jinxin will no longer have any payment responsibility to Shanghai Oasis Garden under the Credit Enhancement Service Agreements.

## THE SRE YIJIA LOAN AGREEMENTS

SRE Yijia, a wholly-owned subsidiary of the Group, entered into three loan agreements with Shanghai Jinxin, namely, (i) the SRE Yijia Loan Agreement 1 on 25 July 2019, (ii) the SRE Yijia Loan Agreement 2 on 18 September 2020, and (iii) the SRE Yijia Loan Agreement 3 on 18 August 2021.

Summarised below are the principal terms of the SRE Yijia Loan Agreements:

	<b>SRE Yijia Loan Agreement 1</b>	<b>SRE Yijia Loan Agreement 2</b>	<b>SRE Yijia Loan Agreement 3</b>
<b>Date of entering into the agreements:</b>	25 July 2019	18 September 2020	18 August 2021
<b>Parties:</b>	SRE Yijia, as the lender; and  Shanghai Jinxin, as the borrower.		
<b>Principal amount:</b>	Maximum of RMB105 million	Maximum of RMB400 million	Maximum of RMB500 million
<b>Use of the loan:</b>	For the costs of demolition and relocation of the Shanghai Daxing Road Project and Shanghai Jinxin's daily operation cost.		
<b>Interest rate:</b>	24%/year	15%/year	12.5%/year
<b>Term:</b>	180 days from drawdown	360 days from drawdown	360 days from drawdown
<b>Extension and repayment:</b>	Prior to the expiry of the terms of the loans, the parties may mutually agree to extend the terms of the loans in accordance with the same conditions of the loans. However, the principal during the extension period shall be calculated on the basis of the sum of the principal and interest accrued that have not yet been repaid by Shanghai Jinxin as of the maturity date/previous extension maturity date.		

As is disclosed in (1) the Company's announcement dated 8 April 2024 in relation to the Disposal Agreement and (2) the Second Disposal Circular, the Company and certain subsidiaries of the Group (including SRE Yijia) entered into the Disposal Agreement with Zhongchong Investment on 8 April 2024, pursuant to which, among other things, the parties to the Disposal Agreement agreed on the assignment of the rights under the Jinxin Debts to Zhongchong Investment, including SRE Yijia' rights to receive the repayment under the SRE Yijia Loan Agreements. The Disposal Agreement shall become effective upon the Company having completed the announcement and approval procedures in respect of the transactions contemplated under the Disposal Agreement in accordance with the Listing Rules and obtained Shareholders' approval for the Disposal Agreement and the Disposal at the SGM.

Therefore, upon completion of the Disposal Agreement, which is subject to fulfillment of the conditions precedent set out in the Second Disposal Circular, Shanghai Jinxin will no longer have any payment responsibility to SRE Yijia under the SRE Yijia Loan Agreements.

## **THE SHANGHAI SRE LOAN AGREEMENTS**

Shanghai SRE, a wholly-owned subsidiary of the Group, entered into (i) the First Shanghai SRE Loan Agreement with Shanghai Jinxin on 28 September 2022, and (ii) the Supplemental Shanghai SRE Loan Agreement on 29 February 2024 for the purpose of confirming the amount repayable by Shanghai Jinxin up to the date of 30 June 2024.

Summarised below are the principal terms of the Shanghai SRE Loan Agreements:

<b>Date of entering into the agreements:</b>	First Shanghai SRE Loan Agreement: 28 September 2022;  Supplemental Shanghai SRE Loan Agreement: 29 February 2024
<b>Parties:</b>	Shanghai SRE, as the lender; and  Shanghai Jinxin, as the borrower.
<b>Principal amount:</b>	RMB191.2 million
<b>Use of the loan:</b>	For the repayment of outstanding principal amount and accrued interest of the Entrusted Loan provided by Shanghai Xiangyuan.



<b>Interest rate:</b>	One-year LPR published by China’s National Interbank Funding Centre for the current year.
<b>Term:</b>	From drawdown to 31 December 2026
<b>Extension and repayment:</b>	Prior to the expiry of the terms of the loans, the parties may mutually agree to extend the terms of the loans in accordance with the same conditions of the loans. However, the principal during the extension period shall be calculated on the basis of the sum of the principal and interest accrued that have not yet been repaid by Shanghai Jinxin as of the maturity date/previous extension maturity date.
<b>Confirmation of the amount payable pursuant to Supplemental Shanghai SRE Loan Agreement:</b>	As of 30 June 2024, the remaining amount payable by Shanghai Jinxin under the loan shall be approximately RMB203.3 million, including principal of approximately RMB191.2 million, and accrued interest of approximately RMB12.1 million (including tax).

As is disclosed in (1) the Company’s announcement dated 8 April 2024 in relation to the Disposal Agreement and (2) the Second Disposal Circular, the Company and certain subsidiaries of the Company (including Shanghai SRE) entered into the Disposal Agreement with Zhongchong Investment on 8 April 2024, pursuant to which, among other things, the parties to the Disposal Agreement agreed on the assignment of the rights under the Jinxin Debts to Zhongchong Investment, including Shanghai SRE’s rights to receive the repayment under the Shanghai SRE Loan Agreements. The Disposal Agreement shall become effective upon the Company having completed the announcement and approval procedures in respect of the transactions contemplated under the Disposal Agreement in accordance with the Listing Rules and obtained Shareholders’ approval for the Disposal Agreement and the Disposal at the SGM.

Therefore, upon completion of the Disposal Agreement, which is subject to fulfillment of the conditions precedent set out in the Second Disposal Circular, Shanghai Jinxin will no longer have any payment responsibility to Shanghai SRE under the Shanghai SRE Loan Agreements.



## THE SHANGHAI JIALING LOAN AGREEMENT

Shanghai Jialing, a wholly-owned subsidiary of the Group, entered into the Shanghai Jialing Loan Agreement with Shanghai Jinxin on 1 March 2024.

Summarised below are the principal terms of the Shanghai Jialing Loan Agreement:

<b>Date of entering into the agreement:</b>	1 March 2024
<b>Parties:</b>	Shanghai Jialing, as the lender; and  Shanghai Jinxin, as the borrower.
<b>Principal amount:</b>	Maximum of RMB2 million
<b>Interest rate:</b>	One-year LPR published by China's National Interbank Funding Centre for the current year.
<b>Term:</b>	One year from drawdown
<b>Extension and repayment:</b>	Prior to the expiry of the terms of the loans, the parties may mutually agree to extend the terms of the loans in accordance with the same conditions of the loans. However, the principal during the extension period shall be calculated on the basis of the sum of the principal and interest accrued that have not yet been repaid by Shanghai Jinxin as of the maturity date/previous extension maturity date.

## THE HONGRONGYUAN LOAN AGREEMENT AND SUPPLEMENTAL HONGRONGYUAN LOAN AGREEMENT

SRE Jiaye and Ningbo Zhihe, an independent third party of the Group, entered into the Hongrongyuan Loan Agreement with Changsha Hongrongyuan on 30 December 2016, pursuant to which, Changsha Hongrongyuan agreed to borrow and SRE Jiaye and Ningbo Zhihe agreed to lend shareholder loans in the amount of approximately RMB209.7 million and approximately RMB8.3 million, respectively. As Changsha Hongrongyuan was a subsidiary of the Group at the time of entering into the Hongrongyuan Loan Agreement, the Hongrongyuan Loan Agreement and the transaction contemplated thereunder did not constitute a notifiable transaction under Chapter 14 of the Listing Rules or had any implications under Chapter 13 of the Listing Rules.

Summarised below are the principal terms of the Hongrongyuan Loan Agreement:

<b>Date of entering into the agreement:</b>	30 December 2016
<b>Parties:</b>	SRE Jiaye and Ningbo Zhihe, as the lenders; and  Changsha Hongrongyuan, as the borrower.
<b>Principal amount:</b>	Approximately RMB209.7 million provided by SRE Jiaye, and approximately RMB8.3 million provided by Ningbo Zhihe
<b>Use of the loan:</b>	For supplementing Changsha Hongrongyuan's working capital or project construction funds.
<b>Interest rate:</b>	Compound interest of 10% annually
<b>Drawdown date:</b>	30 December 2016
<b>Maturity date:</b>	30 December 2018
<b>Repayment:</b>	The principals and accrued interest shall be paid upon maturity or in advance by mutual agreement of all parties.
<b>Overdue interest rate:</b>	0.05%/day
<b>Default penalty:</b>	20% of the total outstanding amount repayable

On 28 July 2020, parties of the Hongrongyuan Loan Agreement entered into the Supplemental Hongrongyuan Loan Agreement, pursuant to which, the parties agreed to extend the maturity date under the Hongrongyuan Loan Agreement to 30 December 2021, while the rest of the terms of the Hongrongyuan Loan Agreement remained unchanged.

## **THE HONGRONGYUAN MAXIMUM AMOUNT LOAN AGREEMENT AND SUPPLEMENTAL HONGRONGYUAN MAXIMUM AMOUNT LOAN AGREEMENT**

SRE Yijia and Ningbo Jiazhi, a wholly-owned subsidiary of the Group, entered into the Hongrongyuan Maximum Amount Loan Agreement with Changsha Hongrongyuan on 30 December 2016, pursuant to which, SRE Yijia and Ningbo Jiazhi agreed to make available a revolving loan facility in an amount up to RMB1,000 million to Changsha Hongrongyuan. As Changsha Hongrongyuan was a subsidiary of the Group at the time of entering into the Hongrongyuan Maximum Amount Loan Agreement, the Hongrongyuan Maximum Amount Loan Agreement and the transaction contemplated thereunder did not constitute a notifiable transaction under Chapter 14 of the Listing Rules or had any implications under Chapter 13 of the Listing Rules.

Summarised below are the principal terms of Hongrongyuan Maximum Amount Loan Agreement:

<b>Date of entering into the agreement:</b>	30 December 2016
<b>Parties:</b>	SRE Yijia and Ningbo Jiazhi, as the lenders; and  Changsha Hongrongyuan, as the borrower.
<b>Principal amount:</b>	Maximum of RMB1,000 million
<b>Use of the loan:</b>	For payment of the costs of demolition, relocation and development costs of the project.
<b>Interest rate:</b>	10%/year
<b>Repayment date:</b>	The earlier of (i) 31 December 2020; or (ii) the earlier repayment date requested by the borrower and agreed by the lenders.
<b>Repayment:</b>	The principals and accrued interest shall be paid upon maturity or the repayment date mutually agreed by all parties.

On 28 July 2020, parties of the Hongrongyuan Maximum Amount Loan Agreement entered into the Supplemental Hongrongyuan Maximum Amount Loan Agreement, pursuant to which, the parties agreed to amend the terms as set out below, while rest terms of the Hongrongyuan Maximum Amount Loan Agreement remained unchanged:

**Use of the loan:** For payment of the costs of demolition, relocation and development costs of the project, and the interest under the loans from financial institutions.

**Interest rate:** (i) 10%/year for amount drawn down before 28 July 2020;  
(ii) 15%/year for amount drawn down on or after 28 July 2020.

**Repayment date:** The earlier of (i) 31 December 2021; or (ii) the earlier repayment date requested by the borrower and agreed by the lenders.

## **SOURCE OF FUNDING**

The principal amount for all of the Jinxin Financial Assistance Agreements and Hongrongyuan Financial Assistance Extension Agreements was financed by the internal resources of the Group.

## **REASONS FOR THE TRANSACTIONS CONTEMPLATED UNDER THE JINXIN FINANCIAL ASSISTANCE AGREEMENTS AND THE HONGRONGYUAN FINANCIAL ASSISTANCE EXTENSION AGREEMENTS**

Shanghai Jinxin is a joint venture company in which the Company indirectly held 51% equity interest as at the date of this announcement. The principal activity of Shanghai Jinxin is the development of the Shanghai Daxing Road Project, which is located at nos. 717–719, Daxing Road, Huangpu District, Shanghai. The Jinxin Financial Assistance Agreements and the transactions contemplated thereunder was to be applied towards the development of the Shanghai Daxing Road Project and the daily operation of Shanghai Jinxin, in order to ensure sufficient funding for Shanghai Jinxin to support the continuous development of the Shanghai Daxing Road Project, such that the project shall be completed according to the proposed timeline, which would ultimately benefit the Group as a 51% indirect shareholder.

Changsha Hongrongyuan is a joint venture company in which the Company indirectly held 54.08% equity interest as at the date of this announcement. The principal activity of Changsha Hongrongyuan is the development and sales of properties, which includes the development of the Fudi Albany Project, which is located on the east side of Changqing Road, Laodaohe Town, Kaifu District, Changsha City, Hunan Province of the PRC. The first phase of the project covers an area of 65,273m<sup>2</sup>, with a plot ratio of 2.43 and a total construction area of 193,067m<sup>2</sup>. The Hongrongyuan Financial Assistance Extension Agreements and the transactions contemplated thereunder was to be applied towards the development of the Fudi Albany Project and the daily operation of Changsha Hongrongyuan in order to ensure sufficient funding for Changsha Hongrongyuan to support the continuous development of the Fudi Albany Project, such that the project shall be developed according to the proposed timeline, which would ultimately benefit the Group as a 54.08% indirect shareholder.

## **INFORMATION ON THE GROUP AND PARTIES TO THE JINXIN FINANCIAL ASSISTANCE AGREEMENTS AND THE HONGRONGYUAN FINANCIAL ASSISTANCE EXTENSION AGREEMENTS**

### **The Group**

The Group is an integrated real estate developer focusing on high-quality development projects and urban renewal projects in first-tier cities in the PRC, in particular core areas in Shanghai, which is geographically the base for the Group's property development business.

### **Shanghai Jinxin**

Shanghai Jinxin is a limited liability company incorporated in the PRC in October 2002 with a registered capital of RMB2,660 million which has been fully paid up. As at the date of this announcement, the Company indirectly held 51% equity interest in Shanghai Jinxin with the remaining 49% equity interest in Shanghai Jinxin being held by Zhongchong Binjiang, an independent third party of the Company.

According to the articles of association of Shanghai Jinxin, for significant decisions concerning the Shanghai Jinxin's operation or development, unanimous consent from both the Company and Zhongchong Binjiang are required. The Company cannot determine matters or exercise controlling rights at its sole discretion. Therefore, being jointly controlled by the Company and Zhongchong Binjiang, Shanghai Jinxin has been treated as a joint venture of the Company, and the equity investment of the Company in Shanghai Jinxin should be treated as investments in joint venture according to the accounting treatment.

Shanghai Jinxin is principally engaged in the development of the Shanghai Daxing Road Project (the property interest of which is wholly owned by Shanghai Jinxin), and its principal asset is the land located at nos. 717-719, Daxing Road, Huangpu District, Shanghai.

## **Changsha Hongrongyuan**

Changsha Hongrongyuan is a limited liability company incorporated in the PRC in September 2007 with a registered capital of RMB100 million, of which RMB50 million has been fully paid up. As disclosed in the Company's annual report for the year ended 31 December 2018, a third party injected capital into Changsha Hongrongyuan in April 2018, diluting the Group's equity interest in Changsha Hongrongyuan from 66.5% to 49.5%, as a result of which Changsha Hongrongyuan was no longer a subsidiary of the Company. Upon the dilution and amendment to the relevant investment agreement and articles of association of Changsha Hongrongyuan, the Group lost control and Changsha Hongrongyuan became a joint venture of the Group. In 2022, the equity interest in Changsha Hongrongyuan was reallocated between shareholders because of one third party investor's failure in full capital contribution according to investment agreement, and then the Group's equity interest in Changsha Hongrongyuan was increased to 54.08%. As at the date of this announcement, the Company indirectly held 54.08% equity interest in Changsha Hongrongyuan with the remaining 18.72%, 24.36% and 2.84% equity interest in Changsha Hongrongyuan being held by independent third parties of the Company, namely Shanghai Yanta Industrial Co., Ltd.\* (上海雁沓實業有限公司), Hunan Pincheng Investment Development Co., Ltd.\* (湖南品誠投資發展有限公司) and Ningbo Zhihe.

According to the cooperation agreement relating to Changsha Hongrongyuan entered into between the shareholders of Changsha Hongrongyuan dated 20 April 2018 and the articles of association of Changsha Hongrongyuan, major decisions of Changsha Hongrongyuan shall only be approved through voting by no less than two-thirds of the shareholders thereof. As such, the Company has no control over Changsha Hongrongyuan and therefore, although the Company indirectly holds 54.08% of the equity interest in Changsha Hongrongyuan, Changsha Hongrongyuan has not become a subsidiary of the Company.

Changsha Hongrongyuan is principally engaged in the development and sales of properties, which includes the development of the Fudi Albany Project, which is located at the east side of Changqing Road, Laodaohe Town, Kaifu District, Changsha City, Hunan Province of the PRC. The first phase of the project covers an area of 65,273m<sup>2</sup>, with a plot ratio of 2.43 and a total construction area of 193,067m<sup>2</sup>.

## **Shanghai Oasis Garden**

Shanghai Oasis Garden is a limited liability company established in the PRC, an indirect wholly-owned subsidiary of the Company which holds approximately 18.80% equity interest in Shanghai Jinxin as at the date of this announcement. Shanghai Oasis Garden is principally engaged in the development and sale of rural and commercial residential properties, property management and the provision of real estate intermediary and consulting services.

## **SRE Yijia**

SRE Yijia is a limited liability company established in the PRC, an indirect wholly-owned subsidiary of the Company, and is principally engaged in investment management.

## **Shanghai SRE**

Shanghai SRE is a limited liability company established in the PRC, an indirect wholly-owned subsidiary of the Company, and is principally engaged in property investment.

## **Shanghai Jialing**

Shanghai Jialing is a limited liability company established in the PRC, an indirect wholly-owned subsidiary of the Company, and is principally engaged in investment management and business management and consulting.

## **SRE Jiaye**

SRE Jiaye is a limited liability company established in the PRC and an indirect wholly-owned subsidiary of the Company. SRE Jiaye is principally engaged in property management, asset management, enterprise management consulting, industrial investment, investment consulting, financial consulting and the investment and operation of real estate properties.

## **Ningbo Zhihe**

Ningbo Zhihe is a limited partnership established under the laws of the PRC and is principally engaged in industrial investment, investment management, investment consultation, corporate management consultation and the agency of real estate. The general partner of Ningbo Zhihe is Shanghai Zhifan Enterprise Development Co., Ltd.\* (上海置繁企業發展有限公司), the entire equity interest of which is held by Sheng Qing (盛晴), and the limited partners are Wen Ru (文汝), Lu We (盧維), Liu Shuping (劉淑平), Lu Yi (盧軼) and Sheng Qing (盛晴). Wen Ru (文汝), Lu Yi (盧軼) and Liu Shuping (劉淑平) were each an employee of Changsha Hongrongyuan as at the date of this announcement. The interest in Ningbo Zhihe was held as to 24.56% by Wen Ru (文汝), 22.03% by Lu We (盧維), 18.17% by Liu Shuping (劉淑平), 20.37% by Lu Yi (盧軼) and 14.32% by Sheng Qing (盛晴) as at the date of this announcement.

## **Ningbo Jiazhi**

Ningbo Jiazhi is a company established under the laws of the PRC in December 2016, which principally engaged in industrial investment, investment management, asset management, real estate development and management and business management and consulting, holding 54.08% equity interest in Changsha Hongrongyuan as at the date of this announcement. Ningbo Jiazhi is an indirect wholly-owned subsidiary of the Company.



## **LISTING RULES IMPLICATIONS**

As each of the Jinxin Financial Assistance Agreements was entered into between certain subsidiaries of the Group and Shanghai Jinxin and were of similar nature (i.e., provision of financial assistance) on an ongoing basis, each of the Jinxin Financial Assistance Agreements, namely (i) Credit Enhancement Service Agreements; (ii) SRE Yijia Loan Agreements; (iii) Shanghai SRE Loan Agreements; and (iv) Shanghai Jialing Loan Agreement, may be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules.

Accordingly, as the highest applicable percentage ratio under the Listing Rules in respect of the Jinxin Financial Assistance Agreements, when aggregated together, exceeds 25%, the transactions contemplated under the Jinxin Financial Assistance Agreements constitute major transactions of the Company and are therefore subject to the notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

As both of the Hongrongyuan Financial Assistance Extension Agreements were entered into between certain subsidiaries of the Group and Changsha Hongrongyuan within 12 months, the Hongrongyuan Financial Assistance Extension Agreements, namely, (i) the Supplemental Hongrongyuan Loan Agreement, and (ii) the Supplemental Hongrongyuan Maximum Amount Loan Agreement shall be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules.

As the highest applicable percentage ratio under the Listing Rules in respect of the Hongrongyuan Financial Assistance Extension Agreements, when aggregated together, exceeds 25%, the transactions contemplated under the Hongrongyuan Financial Assistance Extension Agreements constitute major transactions of the Company and are therefore subject to the notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

Considering that none of the Shareholders had material interests in the Jinxin Financial Assistance Agreements and the Hongrongyuan Financial Assistance Extension Agreements, and no Shareholder was required to abstain from voting if the Company were to convene a general meeting for the approval of the Jinxin Financial Assistance Agreements and the Hongrongyuan Financial Assistance Extension Agreements, the Company obtained the written Shareholder's approval from the controlling Shareholder in lieu of the holding of a general meeting in this regard pursuant to Rule 14.44(2) of the Listing Rules.

A circular containing, among others, information in relation to the Jinxin Financial Assistance Agreements and the Hongrongyuan Financial Assistance Extension Agreements, and other information required under the Listing Rules will be despatched to the Shareholders for their information on or before 16 July 2024.

## FURTHER DISCLOSURE PURSUANT TO RULE 13.16 OF THE LISTING RULES

As at the date of this announcement, the financial assistance given to, and guarantees given by the Group for banking facilities granted to, the affiliated companies of the Company named in the first column in the table below in aggregate have exceeded 8% of the assets ratio under Rule 14.07(1) of the Listing Rules. Details of such financial assistance and guarantees as required to be disclosed under Rule 13.16 of the Listing Rules as at the date of this announcement are as follows:

Name of affiliated companies	The Group's equity interest in affiliated companies	Financial assistance to affiliated companies (RMB'000)	Committed capital injection to affiliated companies (RMB'000)	Amount guaranteed by the Group for banking facilities granted to affiliated companies (RMB'000)	Total (RMB'000)
Shanghai Jinxin	51%	1,136,364 <sup>(1)</sup>	–	4,451,820 <sup>(2)</sup>	5,588,184
Changsha Hongrongyuan	54.08%	521,791 <sup>(3)</sup>	–	378,000 <sup>(4)</sup>	899,791
Napa Lifestyle Holdings LLC	79.33%	42,153 <sup>(5)</sup>	–	–	42,153

### Notes:

- (1) This amount includes (i) the outstanding principal amount of approximately RMB823.6 million under the SRE Yijia Loan Agreements; (ii) the outstanding principal amount of approximately RMB191.2 million under the Shanghai SRE Loan Agreements (iii) the outstanding principal amount of approximately RMB0.9 million under the Shanghai Jialing Loan Agreement; and (iv) the outstanding principal amount of approximately RMB120.6 million under an interest-free loan provided by Shanghai Oasis Garden, which is unsecured and has no fixed term of repayment.
- (2) This amount represents the amount utilised by Shanghai Jinxin under the Syndicated Loan.
- (3) This amount includes (i) the outstanding principal amount of approximately RMB209.7 million under the Hongrongyuan Loan Agreement and the Supplemental Hongrongyuan Loan Agreement; and (ii) the outstanding principal amount of approximately RMB312.1 million under the Hongrongyuan Maximum Amount Loan Agreement and the Supplemental Hongrongyuan Maximum Amount Loan Agreement, approximately RMB223.6 million of which is with an annual interest rate of 10%, and approximately RMB88.5 million of which is with an annual interest rate of 15%.

- (4) This amount represents the outstanding principal amount of the loan from Hunan Sanxiang Bank Co., Ltd., details of which and relevant guarantees provided by the Group are set out in (i) the Company's announcement dated 29 September 2022; and (ii) the Company's circular dated 20 September 2023.
- (5) This amount represents (i) the outstanding principal amount of approximately US\$1.7 million under a loan with an interest rate of 10.5% per annum compounded monthly which is unsecured and was due on 3 December 2021; and (ii) the outstanding principal amount of approximately US\$4.2 million under a loan with an interest rate of 15% per annum compounded monthly which is unsecured and was due on 3 December 2021.

## **REASONS FOR THE BREACHES OF THE LISTING RULES AND REMEDIAL ACTIONS**

The entering into of each of the Jinxin Financial Assistance Agreements and the Hongrongyuan Financial Assistance Extension Agreements constituted various notifiable transactions of the Company under Chapter 14 of the Listing Rules and were subject to disclosure requirements under Rule 13.16 of the Listing Rules. Therefore, due to an inadvertent oversight, the failure by the Company to issue an announcement in relation to each of the Jinxin Financial Assistance Agreements and the Hongrongyuan Financial Assistance Extension Agreements at the material times constituted breaches of the Listing Rules.

The Group's negligence in complying with such requirements in relation to the Jinxin Financial Assistance Agreements was due to the fact that, as stated on page 6 of the Letter from the Board in the First Disposal Circular, it was agreed between the Company and Zhongchong Binjiang pursuant to the Cooperation Framework Agreement that in respect of the capital required for the housing requisition, demolition and relocation, as well as the construction and development of the Qinhai Oasis Garden Project (former name of the Shanghai Daxing Road Project), the Company and/or Shanghai Jinxin may seek loans from financial institutions, or the Company and Zhongchong Binjiang may advance shareholders' loans to Shanghai Jinxin according to a 50:50 ratio. Accordingly, the Company mistakenly considered that since the subsequent loans provided to Shanghai Jinxin were made in accordance with the Cooperation Framework Agreement on normal commercial terms were therefore subject to no separate disclosure procedures required to be performed in accordance with the relevant requirements under Chapter 14 and Chapter 13 of the Listing Rules. Therefore, the Company failed to comply with the applicable reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules, and the disclosure requirement under Chapter 13 of the Listing Rules.

The Group's negligence in complying with such requirements in relation to the Hongrongyuan Financial Assistance Extension Agreements was due to the fact that, Hongrongyuan Financial Assistance Extension Agreements were made to amend the terms of the Hongrongyuan Loan Agreement and the Hongrongyuan Maximum Amount Loan Agreement, which were entered into when Changsha Hongrongyuan was a subsidiary of the Group and therefore neither constituted any notifiable transactions under Chapter 14 of the Listing Rules nor had any implications under Chapter 13 of the Listing Rules, the Company mistakenly believed that the Hongrongyuan Financial Assistance Extension Agreements were subject to no separate disclosure procedures in accordance with the relevant requirements under the Listing Rules, the Company failed to comply with the applicable reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules, and the disclosure requirement under Chapter 13 of the Listing Rules.

The Company's negligence in complying with such disclosure requirements was inadvertent, and the Company undertakes to take measures to strengthen our training internal control, including but not limited to requiring our senior management to take trainings in respect of compliance of the Listing Rules in the future to prevent the recurrence of such incident.

## **DEFINITIONS**

“Board”	the board of Directors
“Changsha Hongrongyuan”	Changsha Hongrongyuan Real Estate Development Co., Ltd.* (長沙鴻榮源房地產開發有限公司), a company established under the laws of the PRC, principally engaged in development and sales of properties
“Company”	SRE Group Limited, a company incorporated in Bermuda with limited liability, whose Shares are listed on the Main Board of the Stock Exchange
“Cooperation Framework Agreement”	the cooperation framework agreement dated 29 December 2016 entered into between the Company and Zhongchong Binjiang, pursuant to which the Company had agreed to dispose of and Zhongchong Binjiang had agreed to acquire 49% equity interest in Shanghai Jinxin (the details of which are set out in the First Disposal Circular)
“Credit Enhancement Service Agreements”	collectively, (i) the First Credit Enhancement Service Agreement, and (ii) the Supplemental Credit Enhancement Service Agreement

“Director(s)”	the director(s) of the Company
“Disposal”	the transaction contemplated under Disposal Agreement
“Disposal Agreement”	the equity interest and debts transfer agreement dated 8 April 2024 entered into between the Company and the certain subsidiaries of the Group, and Zhongchong Investment, pursuant to which Zhongchong Investment conditionally agreed to acquire and certain subsidiaries of the Group conditionally agreed to (i) dispose of 51% equity interest in Shanghai Jinxin; and (ii) assign the rights under the Jinxin Debts (details of which are set out in the Second Disposal Circular)
“Entrusted Loan”	the entrusted loan provided by Shanghai Xiangyuan in the maximum amount of RMB185,000,000 to Shanghai Jinxin from 20 May 2022 to 30 August 2022 (details of which are set out in the Company’s announcements dated 20 May 2022 and 26 May 2022 in respect of the discloseable transaction relating to the provision of financial assistance to Shanghai Jinxin under the entrusted loan agreement)
“First Credit Enhancement Service Agreement”	the credit enhancement service agreement dated 3 August 2018 and entered into between Shanghai Oasis Garden (as provider of the credit enhancement service) and Shanghai Jinxin (as recipient of the credit enhancement service), pursuant to which, the parties agreed that Shanghai Jinxin shall pay to Shanghai Oasis Garden a credit enhancement service fee, as Shanghai Oasis Garden has provided Shanghai Jinxin with credit enhancement service (including but not limited to a corporate guarantee and pledges on all of its 18.80% equity interest in Shanghai Jinxin) as security for the Syndicated Loan
“First Disposal Circular”	the Company’s circular dated 20 January 2017 in relation to the disposal of 49% equity interest in Shanghai Jinxin by the Group to Zhongchong Binjiang

“First Shanghai SRE Loan Agreement”	the loan agreement dated 28 September 2022 and entered into between Shanghai SRE (as the lender) and Shanghai Jinxin (as the borrower), pursuant to which Shanghai SRE had agreed to provide Shanghai Jinxin with a loan in a principal amount of approximately RMB191.2 million
“Fudi Albany Project”	the property development project operated and managed by Changsha Hongrongyuan which is located at Pengjia Lane, Laodaoh Street, Kaifu District, Changsha, Hunan Province, the PRC
“Group”	the Company and its subsidiaries
“Guarantees Provided by the Group”	certain guarantees provided by the Group to the Lenders in respect of the Syndicated Loan, including but not limited to a corporate guarantee by Shanghai Oasis Garden and pledges on all of its 18.80% equity interest in Shanghai Jinxin (details of which are set out in the Company’s announcement dated 27 March 2022 in relation to, among other things, the Syndicated Loan owed by Shanghai Jinxin to the Lenders and the Guarantees Provided by the Group)
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hongrongyuan Financial Assistance Extension Agreements”	collectively, (i) Supplemental Hongrongyuan Loan Agreement; and (ii) Supplemental Hongrongyuan Maximum Amount Loan Agreement
“Hongrongyuan Loan Agreement”	the loan agreement dated 30 December 2016 and entered into between SRE Jiaye and Ningbo Zhihe (as the lenders), and Changsha Hongrongyuan (as the borrower), pursuant to which, Changsha Hongrongyuan agreed to borrow and SRE Jiaye and Ningbo Zhihe agreed to lend shareholder loans in the amount of approximately RMB209.7 million and approximately RMB8.3 million, respectively.
“Hongrongyuan Maximum Amount Loan Agreement”	the loan agreement dated 30 December 2016 and entered into between SRE Yijia and Ningbo Jiazhi (as the lenders), and Changsha Hongrongyuan(as the borrower), pursuant to which, SRE Yijia and Ningbo Jiazhi agreed to make available a revolving loan facility in an amount of up to RMB1,000 million to Changsha Hongrongyuan

“Jinxin Debts”	all the debts owed by Shanghai Jinxin to certain subsidiaries of the Group in the aggregate amount of approximately RMB2,577.6 million as at 29 February 2024 (details of which are set out in the Second Disposal Circular)
“Jinxin Financial Assistance”	the financial assistance made by the Group to Shanghai Jinxin under the Jinxin Financial Assistance Agreements
“Jinxin Financial Assistance Agreements”	collectively, (i) the Credit Enhancement Service Agreements; (ii) the SRE Yijia Loan Agreements; (iii) the Shanghai SRE Loan Agreements; and (iv) the Shanghai Jialing Loan Agreement
“Lenders”	collectively, Industrial and Commercial Bank of China Limited, Shanghai Bund branch* (中國工商銀行股份有限公司上海市外灘支行); Industrial and Commercial Bank of China Limited, Shanghai Huangpu Branch* (中國工商銀行股份有限公司上海市黃浦支行); Agricultural Bank of China Limited, Shanghai Jing’an branch* (中國農業銀行股份有限公司上海靜安支行); China Construction Bank Corporation, Shanghai Huangpu branch* (中國建設銀行股份有限公司上海黃浦支行); and Shanghai Pudong Development Bank Co., Ltd., Shanghai Huangpu branch* (上海浦東發展銀行股份有限公司黃浦支行)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Ningbo Jiazhi”	Ningbo Meishan Bonded Port Area Jiazhi Investment Co., Ltd.* (寧波梅山保稅港區嘉置投資有限責任公司), a company established under the laws of the PRC, an independent third party of the Company, and is principally engaged in industrial investment, investment management, asset management, real estate development and management and business management and consulting, holding 54.08% equity interest in Changsha Hongrongyuan



“Ningbo Zhihe”	Ningbo Meishan Bonded Port Area Zhihe Investment Center (Limited Partnership)* (寧波梅山保稅港區置赫投資中心(有限合夥)), a company established under the laws of the PRC, an indirect wholly-owned subsidiary of the Company and is principally engaged in industrial investment, investment management, investment consultation, corporate management consultation and the agency of real estate
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of PRC
“Second Disposal Circular”	the Company’s circular dated 10 May 2024 in relation to the Disposal Agreement and the transaction contemplated thereunder
“SGM”	the special general meeting of the Company convened for the purpose of considering and approving, among other things, the Disposal Agreement and transaction contemplated thereunder
“Shanghai Daxing Road Project”	the real estate project being developed on the land located at nos. 717-719, Daxing Road, Huangpu District, Shanghai by Shanghai Jinxin
“Shanghai Jialing”	Shanghai Jialing Industrial Co., Ltd.* (上海嘉翎實業有限公司), a limited liability company established in the PRC, an indirect wholly-owned subsidiary of the Company, and is principally engaged in investment management and business management and consulting
“Shanghai Jialing Loan Agreement”	the loan agreement dated 1 March 2024 and entered into between Shanghai Jialing (as the lender) and Shanghai Jinxin (as the borrower), pursuant to which, Shanghai Jialing had agreed to provide Shanghai Jinxin with a loan in a maximum principal amount of RMB2 million
“Shanghai Jinxin”	Shanghai Jinxin Property Co., Ltd.* (上海金心置業有限公司), a limited liability company incorporated in the PRC and is mainly engaged in real estate development business in the PRC

“Shanghai Oasis Garden”	Shanghai Oasis Garden Real Estate Company Limited* (上海綠洲花園置業有限公司), a limited liability company incorporated in the PRC, an indirect wholly-owned subsidiary of the Company which holds 18.80% equity interest in Shanghai Jinxin as at the date of this announcement
“Shanghai SRE”	Shanghai SRE Real Estate Development Co., Ltd.* (上海上置房地產發展有限公司), a limited liability company established in the PRC, an indirect wholly-owned subsidiary of the Company
“Shanghai SRE Loan Agreements”	collectively, (i) the First Shanghai SRE Loan Agreement, and (ii) the Supplemental Shanghai SRE Loan Agreement
“Shanghai Xiangyuan”	Shanghai Xiangyuan Enterprise Development Co., Ltd.* (上海祥源企業發展有限公司), a limited liability company established in the PRC in June 2018, an independent third party of the Company and is principally engaged in investment in property development projects, including but not limited commercial properties and redevelopment and urban renewal project
“Share(s)”	ordinary shares in the share capital of the Company
“Shareholder(s)”	registered holder(s) of the Shares from time to time
“SRE Jiaye”	SRE Jiaye Real Estate Development (Shanghai) Company Limited* (上置嘉業房地產發展(上海)有限公司), a limited liability company incorporated in the PRC, an indirect wholly-owned subsidiary of the Company
“SRE Yijia”	Shangzhi Yijia Investment Management (Shanghai) Company Limited* (上置毅家投資管理(上海)有限公司), a limited liability company established in the PRC, an indirect wholly-owned subsidiary of the Company
“SRE Yijia Loan Agreement 1”	the loan agreement dated 25 July 2019 and entered into between SRE Yijia (as the lender) and Shanghai Jinxin (as the borrower), pursuant to which SRE Yijia had agreed to provide Shanghai Jinxin with a loan in a principal amount of RMB105 million

“SRE Yijia Loan Agreement 2”	the loan agreement dated 18 September 2020 and entered into between SRE Yijia (as the lender) and Shanghai Jinxin (as the borrower), pursuant to which SRE Yijia had agreed to provide Shanghai Jinxin with a loan in a principal amount of RMB400 million
“SRE Yijia Loan Agreement 3”	the loan agreement dated 18 August 2021 and entered into between SRE Yijia (as the lender) and Shanghai Jinxin (as the borrower), pursuant to which SRE Yijia had agreed to provide Shanghai Jinxin with a loan in a principal amount of RMB500 million
“SRE Yijia Loan Agreements”	collectively, (i) the SRE Yijia Loan Agreement 1, (ii) the SRE Yijia Loan Agreement 2, and (iii) the SRE Yijia Loan Agreement 3
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Credit Enhancement Service Agreement”	the supplemental agreement to the First Credit Enhancement Service Agreement dated 29 February 2024 and entered into between Shanghai Oasis Garden (as provider of the credit enhancement service) and Shanghai Jinxin (as recipient of the credit enhancement service), pursuant to which, the parties had agreed to adjust the calculation of the credit enhancement service fee and to confirm the amount of the credit enhancement service fee up to the date of 30 June 2024
“Supplemental Hongrongyuan Loan Agreement”	the supplemental agreement to the Hongrongyuan Loan Agreement dated 28 July 2020 and entered into between SRE Jiaye and Ningbo Zhihe (as the lenders), and Changsha Hongrongyuan (as the borrower), pursuant to which, the parties had agreed to extend the maturity date under the Hongrongyuan Loan Agreement to 30 December 2021
“Supplemental Hongrongyuan Maximum Amount Loan Agreement”	the supplemental agreement to the Hongrongyuan Maximum Amount Loan Agreement dated 28 July 2020 and entered into between SRE Yijia and Ningbo Jiazhi (as the lenders), and Changsha Hongrongyuan (as the borrower), pursuant to which, the parties had agreed to amend the terms under the Hongrongyuan Maximum Amount Loan Agreement

“Supplemental Shanghai SRE Loan Agreement”	the supplemental agreement to the First Shanghai SRE Loan Agreement dated 29 February 2024 and entered into between Shanghai SRE (as the lender) and Shanghai Jinxin (as the borrower), pursuant to which, the parties had agreed to confirm that the remaining amount payable by Shanghai Jinxin under the Shanghai SRE Loan Agreements shall be approximately RMB203.3 million, including principal of approximately RMB191.2 million, and accrued interest of approximately RMB12.1 million (including tax)
“Syndicated Loan”	the syndicated bank loan owed by Shanghai Jinxin to the Lenders, in the principal amount of RMB4,451.82 million, together with the accrued interest
“US\$”	United States dollars, the lawful currency of the United States of America
“Zhongchong Binjiang”	Shanghai Zhongchong Binjiang Industrial Development Co., Ltd.* (上海中崇濱江實業發展有限公司), a limited liability company established in the PRC, an independent third party of the Company and 63.7% equity interest of which is owned by Zhongchong Investment
“Zhongchong Investment”	Zhongchong Investment Group Co., Ltd.* (中崇投資集團有限公司), a limited liability company incorporated in the PRC, an independent third party of the Company and is principally engaged in the real estate development and operation business
“%”	per cent

By Order of the Board  
**SRE GROUP LIMITED**  
**Qin Guohui**  
*Chairman*

Hong Kong, 25 June 2024

*As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Qin Guohui, Mr. Kong Yong, Mr. Xu Ming and Mr. Jiang Qi; two non-executive Directors, namely Mr. Lu Jianhua and Mr. Pan Pan; and three independent non-executive Directors, namely Mr. Zhuo Fumin, Mr. Ma Lishan and Mr. Chui Man Lung, Everett.*

\* For identification purposes only