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(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

INSIDE INFORMATION AND CONTINUED SUSPENSION OF TRADING

INSIDE INFORMATION

This announcement is made by SRE Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

References are made to the announcements of the Company (i) dated 27 March 2022 in relation to, inter alia, the Overdue Payment by Shanghai Jinxin under the Loan Agreements; (ii) dated 11 January 2023 in relation to an agreement to extend the term of the December 2022 Overdue Payment to 30 June 2023 (the “**Agreement**”); (iii) dated 28 April 2023 in relation to, inter alia, the default of the Loan and the Agreement; (iv) dated 30 June 2023 in relation to, inter alia, the failure to make any repayment under the Agreement; (v) dated 23 August 2023 in relation to, inter alia, the Potential Enforcement Action; (vi) dated 8 April 2024 in relation to, inter alia, the Disposal Agreement; (vii) dated 18 September 2024 in relation to, inter alia, the Ruling and the Enforcement Action; (viii) dated 30 September 2024 in relation to, inter alia, the Auction Announcement and (ix) dated 19 October 2024 in relation to the supplemental information on the Disposal Agreement (collectively, the “**Announcements**”). Unless otherwise defined, terms used herein shall have the same meaning as those defined in the Announcements.

The board of directors (the “**Board**”) of the Company would like to provide an update to the shareholders and potential investors of the Company regarding (i) the Ruling (being the enforcement ruling dated 12 September 2024 and numbered (2023) Hu 74 Zhi No.1509* ((2023) 滬74執1509號《執行裁定書》)); (ii) the Enforcement Action arising from the Mediation Document (being the civil mediation document numbered (2022) Hu 74 Minchu No. 2987* ((2022) 滬74民初2987號《民事調解書》)); and (iii) the Judgment (being the civil judgment dated 23 September 2024 and numbered (2023) Hu 74 Minchu No. 875* ((2023) 滬74民初875號《民事判決書》)).

THE ENFORCEMENT SETTLEMENT AGREEMENT

Shanghai Jinxin, Zhongchong Group Co., Ltd* (中崇集團有限公司) (“**Zhongchong Group**”) and certain subsidiaries of the Group, namely Gaken Investment Limited* (嘉勤投資有限公司), Shanghai Oasis Garden Real Estate Company Limited* (上海綠洲花園置業有限公司), Shunlink Investment Limited* (上聯投資有限公司) and SRE Jiaye Real Estate Development (Shanghai) Company Limited* (上置嘉業房地產發展(上海)有限公司) (altogether, the “**Enforcees**”), have entered into an enforcement settlement agreement dated 28 October 2024 (《執行和解協議》) (the “**Enforcement Settlement Agreement**”) with the Company and the Lenders (namely, 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); 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)).

Pursuant to the Enforcement Settlement Agreement, subject to the fulfillment of the conditions precedent to the Settlement set out below, the Lenders agree to settle all the obligations of the Enforcees and the Company under the Syndicated Loan (the “**Settlement**”) at the amount being the principal amount of RMB4,451,820,000 of the Syndicated Loan and the accrued overdue interests (collectively, the “**Settlement Amounts**”). The Lenders further agree that, other than the Settlement Amounts, there is no other obligation in between the Enforcees and the Lender. The aforesaid Settlement includes, among other things, that (i) all the obligations of the Enforcees under the Mediation Document are deemed to have been fully performed with no further dispute between the Lenders and the Enforcees in respect of relevant legal proceedings; and (ii) all the obligations of the Company under the Judgment are deemed to have been fully performed, with no further dispute between the Lenders and the Company, and the Lenders shall not pursue enforcement actions against the Company in respect of relevant legal proceedings.

Conditions Precedent to the Settlement

The Settlement is subject to the following conditions, among others, having been fulfilled:

- (i) the designee of the Enforcees shall open a Safe and Sound Account at 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) (the “**Safe Account**”);
- (ii) Zhongchong Group or any third party designated by it shall pay all of the Settlement Amounts to the Safe Account by 30 December 2024, and on the same day the Lenders shall submit an application to relevant court to release the seizure of the Target Equity Interests;
- (iii) on the same day of the payment of the first installment of the Disposal (being RMB2 billion) to the Escrow Account pursuant to the Disposal Agreement, the Lenders shall cooperate with relevant court on-site to release the seizure of the Target Equity Interest, and shall cooperate with the procedures for the release of pledge over the Target Equity Interest; and

- (iv) on the same day of the release of the pledge of the Target Equity Interest, the Enforcees shall arrange the registration procedure for the transfer of the Target Equity Interests into the name of the designated party of Zhongchong Investment Group Co., Ltd, being the Purchaser of the Disposal Agreement, and the Settlement Amounts in the Safe Account shall be released to the account designated by the Lenders simultaneously.

Upon the fulfillment of point (iv) under the conditions precedent of the Settlement as stated above, the Group's obligation under the Guarantees Provided by the Group and the Judgment would be released.

SUSPENSION OF ENFORCEMENT ACTION

Pursuant to the Enforcement Settlement Agreement, the Lenders shall apply to the relevant court for the withdrawal of the auction on the Target Equity Interests immediately after the effective date of the Enforcement Settlement Agreement. The Company has noted that according to the information on the Auction Platform, the auction on the Target Equity Interests as described in the Auction Announcement has been suspended owing to the settlement reached by the parties. For further details of the aforesaid auction, please refer to the link of the Auction Platform for the information of suspension and the full text of the Auction Announcement: https://sf-item.taobao.com/sf_item/839778668427.htm?spm=a213w.7398504.paiList.1.788a26ecYlh2LG&track_id=22ea09f7-4eaa-475a-9599-aac8d7733e76.

Further announcement(s) will be made by the Company as and when appropriate in accordance with the Listing Rules and/or the SFO to keep shareholders and potential investors informed of any material development of the Enforcement Settlement Agreement, the Ruling, the Enforcement Action and the Judgment.

CONTINUED SUSPENSION OF TRADING

Trading in the Shares on the Stock Exchange was suspended from 9:00 a.m. on 3 April 2023 and will remain suspended until further notice.

Shareholders of the Company and potential investors should exercise caution when dealing in the Company's shares.

By Order of the Board
SRE GROUP LIMITED
Xu Ming
Chairman

Hong Kong, 1 November 2024

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Xu Ming, Mr. Kong Yong and Mr. Qin Guohui; 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*