

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



SRE GROUP LIMITED

上置集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1207)

**DISCLOSEABLE AND CONNECTED TRANSACTION
ACQUISITION OF KONMEN INVESTMENT LIMITED
AND
APPLICATION FOR WHITEWASH WAIVER**

Reference is made to the announcement of SRE Group Limited (the “**Company**”) dated 17 August 2007 regarding the acquisition of Konmen Investment Limited which constitutes a discloseable and connected transaction of the Company and the corresponding application by Good Time Resources Limited for a waiver from the obligation on itself and parties acting in concert with it to make a general offer to shareholders of the Company under the Code on Takeovers and Mergers (the “**Announcement**”). Capitalized terms used herein shall have the same meanings as those defined in the Announcement, unless otherwise specified.

The Company announces and clarifies that since Mr. Cheung Wing Yui, a non-executive Director, is a consultant of Messrs. Woo, Kwan, Lee & Lo which is the Hong Kong legal adviser to the Company in relation to the Acquisition and the Whitewash Waiver, Mr. Cheung Wing Yui will not be a member of the Whitewash IBC.

By Order of the Board
SRE Group Limited
Lee Wai Yee
Company Secretary

Hong Kong, 24 August 2007

As at the date hereof, the board of Directors comprises nine Directors, four of whom are executive Directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng and Mr. Jiang Xu Dong; two of whom are non-executive Directors, namely Mr. Cheung Wing Yui and Mr. Jin Bing Rong; and three of whom are independent non-executive Directors, namely Mr. Yeung Kwok Wing, Mr. Geng Yu Xiu and Mr. E Hock Yap.

The Directors jointly and severally accept full responsibility for the accuracy of the information in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statements in this announcement misleading.

** For identification purpose only*