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SRE GROUP LTD.

SRE GROUP LIMITED

上置集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1207)

**ANNOUNCEMENT
FURTHER EXTENSION OF THE LONG STOP DATE
FOR THE FULFILLMENT OF CONDITIONS PRECEDENT
MAJOR AND CONNECTED TRANSACTION
FOR THE ACQUISITION OF QUALICO INVESTMENTS LIMITED
MATERIAL DILUTION OF A MAJOR SUBSIDIARY
AND DEEMED DISPOSAL**

The parties to the Acquisition Agreement have agreed to further extend the Long Stop Date for fulfillment of the Conditions to 31 December, 2008.

Reference is made to the circular of the Company dated 31 January, 2008 in relation to the acquisition of the entire issued share capital of and outstanding loan due from Qualico Investments which constitutes, inter alia, a major and connected transaction of the Company. Capitalised terms used in this announcement have the same meanings as defined in the said circular.

The Company announced on 8 April, 2008 that the Long Stop Date for fulfillment of the Conditions was extended to 30 June, 2008. As the Conditions on completion of the procedures for the De-merger and the issue of a PRC legal opinion to confirm the same have not yet been fulfilled, the parties to the Acquisition Agreement have agreed to further extend the Long Stop Date to 31 December, 2008.

By Order of the Board
SRE GROUP LIMITED
Shi Jian
Chairman

Hong Kong, 2 July, 2008

As at the date hereof, the Board comprises ten Directors, five of whom are executive Directors, namely Mr. Shi Jian, Mr. Li Yao Min, Mr. Yu Hai Sheng, Mr. Jiang Xu Dong and Mr. Lee Wai Man; 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. Jiang Xie Fu and Mr. E Hock Yap.

** For identification purpose only*