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力高集團
REDCO GROUP

REDCO PROPERTIES GROUP LIMITED
力高地產集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1622)

INSIDE INFORMATION ANNOUNCEMENT AND ANNOUNCEMENT UNDER RULES 13.25(1) OF THE LISTING RULES

The announcement is made by the board (the "**Board**") of directors (the "**Directors**") of Redco Properties Group Limited (the "**Company**", which together with its subsidiaries, the "**Group**") pursuant to Rule 13.25(1)(a) 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 in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Reference is made to the announcement of the Company dated 2 January 2026. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcement dated 2 January 2026.

As stated in the Announcement dated 2 January 2026 (the "**2 January Announcement**"), on 31 December 2025, the Company received a letter (the "**31 December Letter**") from Mr. Lai Wing Lun who referred himself as a joint and several receiver and manager of 150,000,000 shares (the "**Charged Shares**"), representing as at the date of the 2 January Announcement 75% of the total issued shares, of Redco Healthy Living Company Limited (Stock Code 2370) ("**Redco Healthy**"), a 75% owned subsidiary of the Company.

At the night of 20 May 2026 the Company received a letter from Mr. Lai Wing Lun who is a joint and several receiver and manager (the "**Receivers**") of the Charged Shares (the "**Letter**"). The Letter stated that as at the date of the letter, the Facility remains in default, despite their continued marketing efforts, no viable commercial offer for the Charged Shares has been secured to date. The Letter stated that China Billion International Limited, being the sole lender of record under the Facility (the "**Lender**") has proposed to acquire 48,000,000 ordinary shares (the "**Target Shares**") in Redco Healthy out of the Charged Share, representing 24% of the issued share capital of Redco Living, for a consideration of HK$45,120,000 (the "**Sale**"). The consideration is to be satisfied on a non-cash basis by way of partial set-off against the outstanding Facility, calculated by refence to the closing price of

HK$0.94 per share on the Hong Kong Stock Exchange on 15 May 2025. It was stated that all stamp duty and reasonable enforcement expenses incurred in connection with the Sale shall be borne by the Borrower. Accordingly, the gross valuation of HK$45,120,000 shall first be applied towards such stamp duty and expenses, with only the net balance being applied as a partial set-off against, and reduction of, the outstanding Facility.

Having considered, among other things, the continuing default under the Facility, the absence of any viable commercial offer for the Charged Shares notwithstanding the sustained marketing efforts since the Receivers' appointment, and the terms of the proposed Sale, they give formal notice that unless by the close of business on 26 May 2026 (i) the Company procures a purchaser willing to acquire the Sale Shares at a price of not less than HK$45,120,000, (ii) full repayment of the outstanding Facility is made, or (iii) the Company may raise any objection supported by reasonable grounds, the Receivers shall deem that the Company have no objection to the Sale and agree that the Sale is fair and reasonable in the circumstances, and the Receivers shall proceed with the execution of the relevant transaction documents and the implementation of the Sale without further notice to the Company.

The Company has negotiated with the Lender to seek indulgence from strict enforcement while pursuing amicable discussions toward viable alternatives. Yet, on 22 May 2026, the Lender indicated that unless repayment is made, no further extension of time would be granted to the Company for repayment. Given that the Company lacks the financial resources to repay the entire said HK$45,120,000 by 26 May 2026, it is expected that the Target Shares would be disposed of by the Receivers to the Lender by 26 May 2026.

Save for the Target Shares, the Letter did not mention the disposal of other charged shares in the capital of Redco Healthy, accordingly, a balance of 51% of the issued share capital in Redco Healthy remained with Receivers appointed. The Company cannot assure on whether the remaining Redco Healthy shares would be further disposed of by the Receivers/Lender. In the event that the Receivers/Lender seek to further dispose of the charged Shares, it may result in deconsolidation of Redco Healthy from the consolidated financial statements of the Group.

The Company is continuously assessing the legal, financial and operational impacts of the actions to be taken by the Receivers/Lender. The Board will closely monitor the development of the abovementioned matters and will further issue announcements as and when appropriate pursuant to the Listing Rules.

Shareholders and other investors of the Company are advised to exercise caution when dealing in the securities of the Company. When in doubt, shareholders and other investors of the Company are advised to seek professional advice from their own professional or financial advisers.

By Order of the Board
Redco Properties Group Limited
Wong Yeuk Hung
Chairman

Hong Kong, 22 May 2026

As at the date of this announcement, the executive directors of the Company are Mr. Wong Yeuk Hung JP, Mr. Huang Ruoqing and Mr. Tang Chengyong; the non-executive director of the Company is Ms. Fan Carol; and the independent non-executive directors of the Company are Mr. Chau On Ta Yuen SBS, BBS, Mr. Yip Tai Him and Dr. Tam Kam Kau GBS, SBS, JP.