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**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)**

**(1) PROFIT WARNING; AND  
(2) CHANGE OF COMPANY SECRETARY, AUTHORISED  
REPRESENTATIVE AND PROCESS AGENT**

**(1) PROFIT WARNING**

This announcement is made by Redco Properties Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

**Interim results for the six months ended 30 June 2023**

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholder(s)**”) and potential investors that, based on the preliminary assessment of the latest unaudited consolidated management accounts of the Group for the six months ended 30 June 2023 (the “**Period**”) and other information currently available to the Company, it is expected that the Group will record a net loss ranging from approximately RMB175 million to RMB225 million for the Period, as compared to the net profit of approximately RMB185 million for the six months ended 30 June 2022. The expected turnaround from net profit to net loss is mainly attributable to (i) the unfavorable macro economic environment and the downturn of the real estate industry in the People’s Republic of China, leading to a decrease in revenue and gross profit margin being recognized for the Group’s projects during the Period; and (ii) a decrease in gain in relation to the repurchases of senior notes during the Period.

## **Annual results for the year ended 31 December 2023**

The Board also wishes to inform the Shareholders and potential investors that, based on the preliminary assessment of the latest unaudited consolidated management accounts of the Group for the two years ended 31 December 2022 (“**FY2022**”) and 31 December 2023 (“**FY2023**”) and other information currently available to the Company, it is expected that the Group will record a net loss ranging from approximately RMB1.5 billion to RMB2.2 billion for FY2023, as compared to the expected net loss ranging from approximately RMB5.5 billion to RMB6.5 billion for FY2022. The expected narrowing in net loss for FY2023 as compared to FY2022 is mainly attributable to (i) the decrease in provision for inventory as compared to FY2022 as a result of the unfavorable macro economic environment and the downturn of the real estate industry in the People’s Republic of China; (ii) the decrease in loss of disposal of subsidiaries during FY2023; (iii) the decrease in selling and marketing expenses as a result of the sharp decline in contract sales amount for FY2023; and (iv) the decrease in general and administrative expenses during FY2023.

As the Company is still in the process of preparing and finalising the (i) annual results of the Group for FY2022; (ii) interim results of the Group for the Period; and (iii) annual results of the Group for FY2023, the information contained in this announcement is based on the information currently available to the Group and after preliminary assessment of the unaudited consolidated management accounts of the Group for the relevant periods by the management, which have not been audited or reviewed by the auditors of the Company and the audit committee of the Company, and may therefore be subject to changes. Shareholders and potential investors should review (i) the annual results announcement of the Company for FY2022; (ii) the interim results announcement of the Company for the Period; and (iii) the annual results announcement of the Company for FY2023 carefully, which are expected to be published in due course.

**(2) CHANGE OF COMPANY SECRETARY, AUTHORISED REPRESENTATIVE AND PROCESS AGENT**

The Board also announces that Mr. Cheung Sze Yin Patrick (“**Mr. Cheung**”) has resigned from his positions as (i) the company secretary of the Company (the “**Company Secretary**”); (ii) the authorised representative of the Company (the “**Authorised Representative**”) under the Listing Rules; and (iii) the authorised representative for the service of process and notices on behalf of the Company in Hong Kong under Rule 19.05(2) of the Listing Rules and Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the “**Process Agent**”), all with effect from 27 March 2024.

Mr. Cheung has confirmed that he has no disagreement with the Board and there are no matters in relation to his resignation that need to be brought to the attention of the Shareholders and the Stock Exchange.

The Board is pleased to announce that Ms. Chu Cheuk Ting (“**Ms. Chu**”) has been appointed as the Company Secretary, the Authorised Representative and the Process Agent with effect from 12 April 2024.

Ms. Chu is currently the manager of the listing services department of TMF Hong Kong Limited and is responsible for provision of corporate secretarial and compliance services to listed company clients. Ms. Chu has accumulated over 12 years of experience in the professional company secretarial field. She is an associate member of The Hong Kong Chartered Governance Institute and the Chartered Governance Institute in the United Kingdom.

The Board would like to express its sincere gratitude to Mr. Cheung for his valuable contribution to the Company during his tenure of service, and extend its warmest welcome to Ms. Chu on her new appointments.

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

Hong Kong, 12 April 2024

*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; and the independent non-executive directors of the Company are Mr. Chau On Ta Yuen SBS,BBS, Dr. Tam Kam Kau GBS, SBS, JP and Mr. Yip Tai Him.*