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Redco Healthy Living Company Limited

力高健康生活有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2370)

**RESUMPTION GUIDANCE
AND
CONTINUED SUSPENSION OF TRADING**

This announcement is made by Redco Healthy Living Company Limited (the “**Company**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited 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 31 March 2023 in relation to, among others, the delay in publication of annual results for the year ended 31 December 2022 (the “**2022 Annual Results**”) which was caused by certain unresolved audit matters (the “**Audit Issues**”) raised by the Company’s auditor during the process of audit of the 2022 Annual Results (the “**Announcement**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

RESUMPTION GUIDANCE

On 24 May 2023, the Company received a letter (the “**Letter**”) from the Stock Exchange setting out the guidance for the resumption of trading in the shares of the Company on the Stock Exchange (the “**Resumption Guidance**”). Pursuant to the Resumption Guidance, the Company shall:

- (a) publish all outstanding financial results required under the Listing Rules and address any audit modifications;

- (b) conduct an appropriate independent forensic investigation into the Audit Issues, assess their impact on the Company's business operation and financial position, announce the findings and take appropriate remedial actions;
- (c) conduct an independent internal control review and demonstrate that the Company has in place adequate internal controls and procedures to meet the obligations under the Listing Rules;
- (d) demonstrate the Company's compliance with Rule 13.24 of the Listing Rules; and
- (e) inform the market of all material information for the Shareholders and the Company's investors to appraise the Company's position.

The Stock Exchange requires the Company to meet the Resumption Guidance, remedy the issues causing its trading suspension and fully comply with the Listing Rules to the Stock Exchange's satisfaction before trading in its shares is allowed to resume. The Stock Exchange further indicated that it may modify or supplement the Resumption Guidance if the Company's situation changes.

Under Rule 6.01A(1) of the Listing Rules, the Stock Exchange may cancel the listing of any securities that have been suspended from trading for a continuous period of 18 months. In the case of the Company, the 18-month period expires on 28 September 2024. If the Company fails to remedy the issues causing its trading suspension, fulfill the Resumption Guidance and fully comply with the Listing Rules to the Stock Exchange's satisfaction and resume trading in its shares by 28 September 2024, the Listing Division will recommend the Listing Committee to proceed with the cancellation of the Company's listing. Under Rules 6.01 and 6.10 of the Listing Rules, the Stock Exchange also has the right to impose a shorter specific remedial period, where appropriate.

The Company is taking appropriate steps to comply with the Resumption Guidance and will seek to resume trading of its shares as soon as possible. The Company will keep the Shareholders and potential investors informed of the latest progress as and when appropriate and will announce quarterly updates on its development pursuant to Rule 13.24A of the Listing Rules.

CONTINUED SUSPENSION OF TRADING

Trading in the shares of the Company on the Stock Exchange has been suspended from 1:00 p.m. on 29 March 2023 and will remain suspended until the Company fulfils the Resumption Guidance.

Notwithstanding the suspension of trading in the shares of the Company, the Group is carrying on its business operations as usual and will continue to closely monitor its financial position and business operations. The Company will keep the Shareholders and potential investors informed of any inside information as and when appropriate.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Redco Healthy Living Company Limited
Huang Ruoqing
Chairman

Hong Kong, 31 May 2023

As at the date of this announcement, the executive Directors are Mr. Tang Chengyong, Ms. Wong Yin Man and Ms. Huang Yanqi, the non-executive Director is Mr. Huang Ruoqing, and the independent non-executive Directors are Mr. Lau Yu Leung, Mr. Sze Irons BBS, JP, and Mr. Chow Ming Sang.