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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)

PROFIT WARNING

This announcement is made by Redco Properties Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

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 2024 (the “**Period**”) and other information currently available to the Company, it is expected that the Group will record a net loss ranging from approximately RMB580 million to RMB680 million for the Period, as compared to the net loss of approximately RMB217 million for the six months ended 30 June 2023. The increase in loss for the Period is mainly attributable to the unfavorable macroeconomic environment and the downturn of the real estate industry in the People’s Republic of China, leading to low or negative gross profit margin for projects completed and/or delivered during the Period.

As the Company is still in the process of preparing and finalising the interim results of the Group for the Period, the information contained in this announcement is based on the information currently available to the Group and a preliminary assessment of the unaudited consolidated management accounts of the Group 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 the interim results announcement of the Company for the Period carefully, which is expected to be published by the end of August 2024.

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 (as defined in the Company's announcement dated 3 May 2024).

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

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

Hong Kong, 19 August 2024

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