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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)

**OFFER TO PURCHASE FOR CASH
BY REDCO PROPERTIES GROUP LIMITED
OF ITS OUTSTANDING 11.0% SENIOR NOTES DUE 2020 UP TO
THE MAXIMUM ACCEPTANCE AMOUNT AND SUBJECT TO,
AMONG OTHERS, THE NEW ISSUE CONDITION
(ISIN: XS1871136286; Common Code: 187113628)**

EXPIRY OF THE OFFER

Reference is made to the announcements of the Company dated May 19, 2020 and May 20, 2020 (the “**Announcements**”) in relation to the Offer. Capitalized terms used in this announcement shall have the same meanings ascribed to them in the Announcements.

The Offer expired at 4:00 p.m. (London Time) on May 27, 2020. As of the Expiration Deadline, a total of US\$138,575,000 in principal amount of the 2020 Notes, representing approximately 44.64% of the total outstanding principal amount of the 2020 Notes have been validly tendered and not withdrawn pursuant to the Offer to Purchase.

Pursuant to the terms and conditions of the Offer to Purchase, the Maximum Acceptance Amount is US\$120 million. As the aggregate principal amount of the 2020 Notes validly tendered exceeds the Maximum Acceptance Amount, the Company decided to raise the Maximum Acceptance Amount to US\$120,001,000. As the aggregate principal amount of the 2020 Notes validly tendered exceeds the Maximum Acceptance Amount, the principal amount of the 2020 Notes validly accepted for purchase is subject to proration pursuant to the terms of the Offer to Purchase at a proration factor of 84.42%. The Company has accepted such tender of the 2020 Notes in full if application of proration will otherwise result in either (i) the Company accepting the 2020 Notes from any Eligible Holder in a principal amount of less than US\$200,000 or (ii) the principal amount of the 2020 Notes not purchased due to pro rata application being less than US\$200,000. The Purchase Price for the 2020 Notes is US\$1,000 per US\$1,000 principal amount of the 2020 Notes accepted for purchase by the Company. Accordingly, the Company will pay (i) an aggregate Purchase Price of US\$120,001,000 for all such 2020 Notes accepted for purchase, and (ii) Accrued Interest thereon, in the amount of US\$28.11 per US\$1,000 principal amount of the 2020 Notes accepted for purchase by the Company, pursuant to the terms of the Offer.

The tendered 2020 Notes will be subsequently cancelled at settlement, following which US\$190,399,000 in aggregate principal amount of the 2020 Notes will remain outstanding subject to the terms of the indenture governing the 2020 Notes.

This announcement, and all documents related to the Offer, can be found on the Offer Website: <https://bonds.morrowsodali.com/redco>.

GENERAL

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Forward-looking statements in this announcement, including, among others, those statements relating to the Offer are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve risks, uncertainties and assumptions and are difficult to predict with any precision. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the 2020 Notes, changes in the business and financial condition of the Company, changes in the real estate industry, and changes in the capital markets in general.

Shareholders, holders of the 2020 Notes and potential investors should note that completion of the Offer remains subject to the fulfillment or waiver of the conditions precedent to the Offer as set forth in the Offer to Purchase and summarized in the announcements. No assurance can be given that the Offer will be completed and the Company reserves the right to amend, withdraw or terminate the Offer with or without conditions.

The Company may, at its sole discretion, amend or waive certain of the conditions precedent to the Offer. As the Offer may or may not proceed or complete, shareholders, holders of the 2020 Notes and potential investors should exercise caution when dealing in the shares of the Company or the 2020 Notes.

The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required to inform themselves about, and to observe, any such restrictions. This announcement is provided to you because you are a non-U.S. person outside the United States in accordance with Regulation S under the United States Securities Act of 1933, as amended.

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

Hong Kong, 28 May 2020

As at the date of this announcement, the executive directors of the Company are Mr. Wong Yeuk Hung, Mr. Huang Ruoqing, Mr. Tang Chengyong and Mr. Wang Weifeng; and the independent non-executive directors of the Company are Dr. Wong Yau Kar, David GBS, BBS, JP, Mr. Chau On Ta Yuen SBS and Mr. Yip Tai Him.