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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)

**COMPLETION OF THE OFFER TO PURCHASE AND
CONSENT SOLICITATION RELATING TO
THE OUTSTANDING 11.0% SENIOR NOTES DUE 2022
(THE “AUGUST 2020 NOTES”) AND THE OUTSTANDING 13.0%
SENIOR NOTES DUE 2023 (THE “MAY 2020 NOTES”)**

Reference is made to the announcements of the Company dated March 14, 2022, March 18, 2022, March 23, 2022 and March 31, 2022 (collectively, the “**Announcements**”) in relation to the Offer to Purchase and Consent Solicitation. Capitalized terms used in this announcement shall have the same meaning ascribed to them in the Announcements.

The Company is pleased to announce that on April 8, 2022, all conditions precedent to the Offer to Purchase and Consent Solicitation with respect to the August 2020 Notes and the May 2020 Notes have been fulfilled and the Offer to Purchase and Consent Solicitation with respect to the August 2020 Notes and the May 2020 Notes have been completed.

The Consideration Price

The aggregate August 2020 Notes Consideration Price, settled on the same date, is comprised of (i) US\$2,622,880 as the August 2020 Notes Cash Consideration, (ii) an issue of US\$262,288,000 of the August 2023 New Notes, and (iii) US\$4,968,792 as Capitalized Interest, resulting in a total amount of US\$267,256,792 of the August 2023 New Notes issued, to Eligible Holders who have validly tendered their August 2020 Notes pursuant to the Offer to Purchase and Consent Solicitation. The August

2023 New Notes (ISIN: XS2459381369; Common Code: 245938136) bear interest at the rate of 11.0% per annum from April 8, 2022, payable in arrears. US\$262,288,000 of the August 2020 Notes validly tendered and accepted pursuant to the Offer to Purchase and Consent Solicitation have been cancelled.

The aggregate May 2020 Notes Consideration Price, settled on the same date, is comprised of (i) US\$1,467,200 as the May 2020 Notes Cash Consideration, (ii) an issue of US\$146,720,000 of the March 2023 II New Notes, and (iii) US\$6,940,649 as Capitalized Interest, resulting in a total amount of US\$153,660,649 of the March 2023 II New Notes issued, to Eligible Holders who have validly tendered their May 2020 Notes pursuant to the Offer to Purchase and Consent Solicitation. The March 2023 II New Notes (ISIN: XS2459381443; Common Code: 245938144) bear interest at the rate of 13.0% per annum from April 8, 2022, payable in arrears. US\$146,720,000 of the May 2020 Notes validly tendered and accepted pursuant to the Offer to Purchase and Consent Solicitation have been cancelled.

Following the cancellations described above, as at the date of this announcement, the outstanding principal amount of the August 2020 Notes is US\$42,901,000 and the outstanding principal amount of the May 2020 Notes is US\$3,280,000.

Execution of Supplemental Indentures

The Company is pleased to announce the execution of each of the Supplemental Indentures to each of the August 2020 Notes Indenture and the May 2020 Notes Indenture, dated April 8, 2022 (the “**Effective Time**”), by and among the Company, the Subsidiary Guarantors and the respective trustee, giving effect to the Proposed Amendment in compliance with the conditions contained in each of the August 2020 Notes Indenture and the May 2020 Notes Indenture. Execution of the Supplemental Indentures enables the Company to eliminate substantially all of the restrictive covenants and modify certain of the events of default and other provisions in the August 2020 Notes Indenture and the May 2020 Notes Indenture as described in the Supplement. For a detailed statement of the Proposed Amendment, the Holders of the August 2020 Notes and the May 2020 Notes should refer to the Offer to Purchase Memorandum, the Supplement and related documents.

Each of the Supplement Indentures will become operative once the Company has paid the relevant Consideration Price to the Holders of each of the August 2020 Notes and the May 2020 Notes who have validly tendered their respective August 2020 Notes and May 2020 Notes and deemed to have delivered the consents (and not, where applicable, subsequently delivered Negative Consents) pursuant to the Supplement. From and after the Effective Time, each present and future holder of each of the August 2020 Notes and the May 2020 Notes will be bound by the terms of each of the relevant Indentures as amended and supplemented by each of the relevant Supplement Indentures, whether or not such holder delivered a consent. For the avoidance of any doubt, the Consideration Price will be paid to all Holders that tendered and did not subsequently revoke, irrespective of whether they submitted a Negative Consent.

SHAREHOLDERS, AUGUST 2020 NOTES HOLDERS, MAY 2020 NOTES HOLDERS AND POTENTIAL INVESTORS SHOULD NOTE THAT COMPLETION OF THE OFFER TO PURCHASE AND CONSENT SOLICITATION IS SUBJECT TO THE FULFILLMENT OR WAIVER OF THE CONDITIONS PRECEDENT TO THE OFFER TO PURCHASE AND CONSENT SOLICITATION AS SET FORTH IN THE OFFER TO PURCHASE MEMORANDUM AND THE SUPPLEMENT AND SUMMARIZED IN THE ANNOUNCEMENT. NO ASSURANCE CAN BE GIVEN THAT THE OFFER TO PURCHASE AND CONSENT SOLICITATION WILL BE COMPLETED AND THE COMPANY RESERVES THE RIGHT TO AMEND, WITHDRAW OR TERMINATE THE OFFER TO PURCHASE AND CONSENT SOLICITATION WITH OR WITHOUT CONDITIONS.

THE COMPANY MAY, IN ITS SOLE DISCRETION, AMEND OR WAIVE CERTAIN OF THE CONDITIONS PRECEDENT TO THE OFFER TO PURCHASE AND CONSENT SOLICITATION. AS THE OFFER TO PURCHASE AND CONSENT SOLICITATION MAY OR MAY NOT PROCEED, SHAREHOLDERS, AUGUST 2020 NOTES HOLDERS, MAY 2020 NOTES HOLDERS AND POTENTIAL INVESTORS SHOULD EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY OR THE AUGUST 2020 NOTES OR THE MAY 2020 NOTES.

The Offer to Purchase and Consent Solicitation are not being made to holders in any jurisdiction where the making or acceptance of the Offer to Purchase and Consent Solicitation would not comply with the laws of such jurisdiction. If the Company becomes aware of any jurisdiction in which the making of the Offer to Purchase and Consent Solicitation would not be in compliance with applicable laws, the Company may or may not, in its sole discretion, make an effort to comply with any such law. If, after such effort, if any, the Company cannot comply with any such law, the Offer to Purchase and Consent Solicitation will not be made to any holders residing in such jurisdiction.

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

Hong Kong, April 11, 2022

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.