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Redsun Services Group Limited

弘陽服務集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1971)

APPOINTMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR

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The board (the “**Board**”) of directors (the “**Directors**”) of Redsun Services Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce that Mr. Li Xiaohang (“**Mr. Li**”) has been appointed as an independent non-executive Director and a member of the nomination committee (the “**Nomination Committee**”), the audit committee and the remuneration committee of the Board respectively with effect from 2 August 2021.

Mr. Li Xiaohang, aged 49, has over 20 years of working experience in engineering, town planning and city management. Mr. Li is a registered urban planner and a senior engineer for urban planning. He holds a master degree in engineering from University of Electronic Science and Technology of China.

Mr. Li has served as the chairman of the board of directors of Liaoning Shenhua Holdings CO., LTD. (formerly known as Shanghai Shenhua Holdings Co., Ltd., “**Shenhua Holdings**”), a company listed on the Shanghai Stock Exchange (the “**SSE**”) (stock code: 600653) from November 2019 to June 2021 and as the secretary of the party committee of Shenhua Holdings from October 2019 to June 2021. He has served as the secretary of the party committee and the chairman of the board of directors of Zhongxing Shenyang Commercial Building Group Co., Ltd., a company listed on the Shenzhen Stock Exchange (stock code: 000715) from August 2016 to January 2018. In addition, Mr. Li has served in various government units, including the Shenyang Planning and Land Resources Bureau, the committee of Liaozhong district, Shenyang (瀋陽市遼中區委) and the district committee of Shenyang Dongling District (Hunnan New District), and has extensive experience in management in government bodies.

During Mr. Li's term of office as a director of Shenhua Holdings, Shenhua Holdings received the "Decision on Criticizing Liaoning Shenhua Holdings and Relevant Responsible Persons" (《關於對遼寧申華控股及有關責任人予以通報批評的決定》) (2021 No. 28) (the "SSE Decision") issued by the SSE on 15 April 2021. The SSE Decision was made on the basis that Shenhua Holdings failed (i) to follow decision-making procedures and fulfill information disclosure obligation as required regarding external guarantee; and (ii) to disclose the overdue matters of externally guaranteed debt in a timely manner in 2020. Hence, the SSE made a public criticism on Shenhua Holdings and its relevant responsible persons, including Mr. Li. Please see the letter of disciplinary decision on the SSE website for details of the SSE Decision.

Mr. Li resigned from all positions in Shenhua Holdings in June 2021, which took effect upon the election of the new director at its general meeting in June 2021.

The Nomination Committee and the Board believes, after prudent consideration that, the background, expertise, skills, experience and independence of Mr. Li can facilitate the decision-making ability of the Board, which will bring valuable insight and benefit to the Board and the Group, and are conducive to promoting the business development of the Company. To the best of the knowledge, information and belief of the Nomination Committee and the Board, the SSE Decision will not affect the suitability of Mr. Li to serve as an independent non-executive Director.

Mr. Li will enter into a letter of appointment with the Company for a term of three years, subject to retirement from office and re-election at the next following general meeting of the Company in accordance with the articles of association of the Company. Pursuant to the letter of appointment, Mr. Li will receive an annual Director's emolument of RMB200,000 in his capacity as an independent non-executive Director, which is subject to annual review by the Board and was determined on the basis of his experience, knowledge, qualifications, duties and responsibilities within the Group and the prevailing market conditions, and management bonus and other benefits as determined by the Board at its discretion from time to time.

Save as disclosed above, as at the date of this announcement, Mr. Li (i) has not held any other directorships in public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (ii) does not hold other major appointments and professional qualifications; (iii) does not have any relationship with any Directors, senior management or substantial or controlling shareholders of the Company or its subsidiaries; (iv) does not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); and (v) does not hold any other positions with other members of the Group.

Save as disclosed above, there is no other information that is required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and there are no other matters relating to the aforementioned appointment of Mr. Li that need to be brought to the attention of the shareholders of the Company.

The Board would like to extend its warm welcome to Mr. Li in joining the Company.

COMPLIANCE WITH REQUIREMENTS UNDER RULES 3.10(1) AND 3.21 OF THE LISTING RULES AND CODE PROVISION A.5.1 OF THE CORPORATE GOVERNANCE CODE

Following the appointment of Mr. Li, the Company has complied with the requirements of:

- (i) having at least three independent non-executive Directors on the Board as required under Rule 3.10(1) of the Listing Rules;
- (ii) having a majority of independent non-executive Directors in the audit committee as required under Rule 3.21 of the Listing Rules; and
- (iii) having a majority of independent non-executive directors in the Nomination Committee as required under code provision A.5.1 of the Corporate Governance Code set out in Appendix 14 to the Listing Rules.

By Order of the Board
Redsun Services Group Limited
He Jie
Chairman

Hong Kong, 2 August 2021

As of the date of this announcement, the executive Directors are Mr. Yang Guang and Ms. Zeng Zixi; the non-executive Director is Mr. He Jie; and the independent non-executive Directors are Ms. Wang Fen, Mr. Yim Kai Pung and Mr. Li Xiaohang.