

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Red Star Macalline Group Corporation Ltd.

紅星美凱龍家居集團股份有限公司

(A sino-foreign joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1528)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**EGM**”) of Red Star Macalline Group Corporation Ltd. (the “**Company**”) will be held at JW Marriott Hotel Shanghai Changfeng Park, 158 Da Du He Road, Putuo District, Shanghai, the People’s Republic of China (the “**PRC**”), at 10:00 a.m. on Monday, 21 September 2015 for the purpose of considering, and if thought fit, passing the following resolutions:

SPECIAL RESOLUTIONS

1. to approve and confirm that the Company has fulfilled the requirements under the relevant laws and regulations in respect of the issue of the Corporate Bonds, and possesses the conditions and qualifications for the issue of the Corporate Bonds to qualified investors.
2. “**THAT**
 - (a) the Company be and is hereby authorised to issue corporate bonds in the PRC (the “**Corporate Bonds**”) the particulars of which are set out below;

Issue size: not exceeding RMB10,000,000,000, which can be issued in single or multiple tranches

Issue targets: the Corporate Bonds will be issued to qualified investors in accordance with PRC regulations and will not be placed to the existing Shareholders on a preferential basis

Maturity: up to 7 years and may have single or multiple periods

Coupon rate: fixed rate coupon. The coupon rate and coupon payout schedule will be determined by the board of directors (the “**Board**”) or person(s) authorised by the Board and underwriter(s) according to the market conditions prevailing at the time of issue

Listing arrangement:	subject to the satisfaction of the relevant listing requirements, the Company will apply for listing of the Corporate Bonds on a domestic stock exchange as approved by the relevant PRC regulatory authorities
Use of proceeds:	for repaying the loans of the Company and its subsidiaries, replenishing the working capital of the Company, financing construction of projects and improving the Company's financial conditions
Guarantee:	will be determined by the Board or person(s) authorised by the Board taking into account relevant requirements and the market conditions prevailing at the time of issue
Protection measures for repayment:	<p>in the event that the Company expects that it is unable to repay the principal and interests of the Corporate Bonds as scheduled, or the Company is unable to repay the principal and interests of the Corporate Bonds when they become due, it shall implement, as a minimum, the following measures:</p> <ul style="list-style-type: none"> (i) no dividend will be distributed to the shareholders; (ii) suspend the implementation of projects that incur capital expenditure such as material external investments, acquisitions and mergers; (iii) payment of salary and bonus of the directors and senior management of the Company will be adjusted, reduced or ceased; and (iv) key personnel accountable for such event will not be allowed for re-designation.
Term of validity of the resolution:	valid for 12 months from the date of approval at the EGM

- (b) the Board or the person(s) authorised by the Board, shall be authorised to do the following:
- (1) subject to the laws, regulations and applicable requirements of securities regulatory authorities and the resolution of the EGM, with reference to the specific conditions of the market and the Company, to determine the specific plan of the issue of the Corporate Bonds, including but not limited to all matters relating to terms and conditions of the issue such as the issue size, maturity, bond type, coupon rate or its method of determination, timing of issue, issue method (including whether to issue in tranches, size for each tranche), whether to include repurchase and redemption clauses, guarantee arrangement, credit rating arrangement, subscription method, principal repayment and interest payment terms and manners, use of proceeds, repayment protection measures, trading arrangement, underwriting arrangements etc.;
 - (2) to decide and appoint intermediaries and entrusted manager for the issue of the Corporate Bonds;
 - (3) to implement and execute matters related to the issue, listing and trading of the Corporate Bonds, including but not limited to formulating, authorising, executing, implementing, amending and completing the legal documents regarding the issue, listing and trading of the Corporate Bonds, including but not limited to the prospectus of the Corporate Bonds, underwriting agreement, bond trust management agreement, rules of bondholders' meeting, various announcements etc., and to make relevant disclosure pursuant to laws and regulations as well as other regulatory documents;
 - (4) where there is change to the laws and regulations, relevant policies of regulatory authorities or market conditions, to make suitable adjustments on the matters of the issue of the Corporate Bonds in accordance with relevant laws and regulations, the Articles of Association and any opinion of the regulatory authorities, or to decide whether to proceed with the issue of the Corporate Bonds according to the actual situations, save for the matters which are subject to new resolutions of the Shareholders' meeting in accordance with the relevant laws, regulations and the Articles of Association; and
 - (5) to handle other matters regarding the issue, listing and trading of the Corporate Bonds with full authority.

The term of the authorisation shall commence from the date of passing of the resolution regarding the issue of the Corporate Bonds at the EGM until the completion of all authorised matters mentioned above.”

3. “THAT

- (a) the Board and the person(s) authorised by the Board be and is hereby granted a general mandate to decide on the issue of bonds (including but not limited to short-term financing bills, medium term notes, USD bonds and other debt securities recognised by domestic and overseas regulatory authorities) domestically and abroad in an aggregate principal amount up to RMB4,000,000,000 or equivalent in foreign currencies (excluding the permissible size of the proposed issue of Corporate Bonds approved by the Board this time) (“**Bonds**”), upon such terms and conditions to be determined by the Board in compliance with relevant rules;
- (b) the Board and the person(s) authorised by the Board be and is hereby authorised to deal with matters relating to the issue of the Bonds, including:
 - (1) decide on the specific bond type to be issued by the Company within the permissible size of the issue, including but not limited to medium term notes, short-term financing bills, USD bonds and other debt securities recognised by domestic and overseas regulatory authorities;
 - (2) decide on the use of proceeds within the aforesaid scope, based on the Company’s specific needs;
 - (3) decide on the specific terms and conditions and related matters of each issue of the Bonds based on the Company’s daily operation and capital expenditure needs and market conditions, including but not limited to deciding on the actual principal amount, interest rate, maturity, date of issue, targeted investors, issue method, use of proceeds, and arrangement of the issue and placement;
 - (4) appoint various intermediaries, including but not limited to the lead underwriter(s), the rating agencies and the legal counsels, and to negotiate, execute and amend related contracts or agreements, sign all the necessary legal documents relating to each issue, and handle all necessary procedures relating to each issue of the Bonds such as application, registration or filing with the relevant regulatory authorities on behalf of the Company; and
 - (5) handle other matters relating to the issue of the Bonds not covered above.

The Board may, within the scope of authority hereunder, delegate its authority to the Chairman of the Board and his authorised person(s) to decide on specific matters and deal with matters relating to the issue of the Bonds at their sole discretion.

The mandate mentioned in this resolution shall remain valid for 12 months from the date of its approval at the EGM. Where the Board and person(s) authorised by the Board have decided on the related issue and the Company has also obtained approval or license from or have completed the registration with the relevant regulatory authorities on the related issue of the Bonds within the term of validity of this mandate, the Company may complete the related issue within the term of validity of such approval, license or registration.”

By order of the Board
Red Star Macalline Group Corporation Ltd.
GUO Binghe
Company Secretary

Hong Kong
6 August 2015

Notes:

1. For the purpose of holding the EGM, the register of members of H Shares of the Company will be closed from Saturday, 22 August 2015 to Monday, 21 September 2015 (both days inclusive), during which period no transfer of H Shares of the Company can be registered.

In order to be qualified to attend and vote at the EGM, for holders of H shares of the Company, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at Room 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 21 August 2015.

The Shareholders whose names appear on the register of members of the Company on Saturday, 22 August 2015 are entitled to attend and vote at the EGM.

2. Shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalves. A proxy need not be a member of the Company.
3. The instrument appointing a proxy must be in writing under the hand of a Shareholder or his attorney duly authorised in writing. If the Shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorised to sign the same.
4. In order to be valid, the proxy form must be deposited, for holders of H shares of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, or for holders of domestic shares of the Company, to the Board office of the Company in the PRC not less than 24 hours before the time for holding the EGM. If the proxy form is signed by a person under a power of attorney or other authority, a notarially certified copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude Shareholders from attending and voting in person at the EGM or any adjourned meetings should they so wish.
5. Shareholders shall produce their identity documents and supporting documents in respect of the shares of the Company held when attending the EGM. If corporate Shareholders appoint authorised representative to attend the EGM, the authorised representative shall produce his/her identity documents and a notarially certified copy of the relevant authorisation instrument signed by the board of directors or other authorised parties of the corporate Shareholders or other notarially certified documents allowed by the Company. Proxies shall produce their identity documents and the proxy form signed by the Shareholders or their attorney when attending the EGM.

6. Shareholders who intend to attend the EGM should complete the reply slip and return it to the Board office of the Company in the PRC by hand, by post or by fax on or before Tuesday, 1 September 2015.
7. The EGM is expected to take for less than half a day. Shareholders attending the EGM shall be responsible for their own travel and accommodation expenses.
8. All voting at the EGM will be conducted by poll.

As at the date of this announcement, the executive Directors of the Company are CHE Jianxing, ZHANG Qi, CHE Jianfang and JIANG Xiaozhong; the non-executive Directors are XU Guofeng, CHEN Shuhong, Joseph Raymond GAGNON, ZHANG Qiqi; and the independent non-executive Directors are ZHOU Qinye, LI Zhenning, DING Yuan, LEE Kwan Hung.