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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)

ANNOUNCEMENT ON AMENDMENT TO THE 2020 PLAN FOR NON-PUBLIC ISSUANCE OF A SHARES

The Company and all the members of the Board confirm that all the information contained in this announcement is true, accurate and complete and that there is no false and misleading statement or material omission in this announcement.

References are made to the announcements of Red Star Macalline Group Corporation Ltd. (the “**Company**”) dated 3 June and 18 June 2020 and the supplemental circular dated 4 June 2020 (“**Supplemental Circular**”) relating to the proposed Non-public Issuance of A shares of the Company. Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the Supplemental Circular.

The resolutions in relation to the 2020 Non-public Issuance of A Shares of the Company have been considered and approved at the 11th extraordinary meeting of the fourth session of the Board, the 5th extraordinary meeting of the fourth session of the Supervisory Committee of the Company, the 2019 Annual General Meeting, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting.

Pursuant to the Company Law, the Securities Law, the Administrative Measures for the Issuance of Securities by Listed Companies (《上市公司證券發行管理辦法》) and the Implementation Rules for the Non-Public Issuance of Stocks by Listed Companies (《上市公司非公開發行股票實施細則》) and other relevant laws, regulations and normative documents, in order to implement the spirit of improving the quality of corporate information disclosure under the Notice on Adjustment to Part of the Terms in the Question-and-Answer Section of the Review for Issuance (《關於發行審核業務問答部分條款調整事項的通知》) dated 10 June 2020 and the relevant requirements under the Answers to Certain Questions for Refinancing Business (Revised in June 2020) (《再融資業務若干問題解答(2020年6月修訂)》) issued by the CSRC, the Board has made adjustments to the disclosures relating to the plan for the Non-public Issuance considering the business development strategy of the Company, the review procedures of the proposed Non-public Issuance and the relevant status of the the projects funded by the proceeds from the Non-public Issuance. The adjustments to the relevant disclosures do not involve change to the plan for the Non-public Issuance and the proceeds funded projects and the contents of such amendments are within the scope of authorization granted to the Board at the Company’s 2019 Annual General Meeting, the A Shareholders’ Class Meeting and the H Shareholders’ Class Meeting.

On 23 June 2020, the Company convened the 12th extraordinary meeting of the fourth session of the Board at which the resolution on the 2020 Plan for the Non-public Issuance of A Shares of the Company (Revised Draft) (《關於公司2020年非公開發行A股股票預案(修訂稿)的議案》) was considered and approved.

Main contents of the revisions include the following:

No.	Matter for Revisions	Section in the Plan	Specific Contents of Revisions
1	Contents such as the updates on the completed review procedures for the issuance according to the status of the 2019 Annual General Meeting of the Company	Important Notes	Important Notes
		Section 1 Summary of the Non-public Issuance Plan	VIII. Approval of the Issuance Plan and Pending Approval Procedures
		Section III Discussion and Analysis by the Board in Relation to the Impact of the Non-public Issuance on the Company	VI. Risks in Relation to the Non-Public Issuance
		Section IV Profit Distribution Policy of the Company and Its Implementation	II. (I) Profit Distribution for the Last Three Years
III. Next Three-Year Shareholder Return Plan of the Company			
2	The status of approval and filing of certain proceeds funded projects has been updated	Section II Feasibility Analysis by the Board of Directors in Relation to Use of Proceeds	II. (I) Tmall “Home Decoration Tongcheng Station” Project
			II. (III) Construction Project for New Generation Home Improvement Platform System
			II. (IV) Home Furnishing Mall Construction Project
3	The implementation method of proceeds funded projects whose subject of implementation is a non-wholly owned subsidiary is disclosed according to relevant requirements under the Answers to Certain Questions for Refinancing Business (Revised in June 2020) (《再融資業務若干問題解答(2020年6月修訂)》)	Section II Feasibility Analysis by the Board of Directors in Relation to Use of Proceeds	II. (III) Construction Project for New Generation Home Improvement Platform System

No.	Matter for Revisions	Section in the Plan	Specific Contents of Revisions
4	The order and disclosures of the proceeds funded projects have been arranged and adjusted according to the Company's business development plan	Important Notes	Important Notes
		Section 1 Summary of the Non-public Issuance Plan	II. Background and Purposes of the Non-public Issuance
			IV. Summary of the Non-public Issuance Plan
		Section II Feasibility Analysis by the Board of Directors in Relation to Use of Proceeds	I. Plan for Use of Proceeds
			II. Information on Proceeds Funded Projects
		Section III Discussion and Analysis by the Board in Relation to the Impact of the Non-public Issuance on the Company	I. (V) Impact of the Issuance on the Business Structure
VI. Risks in Relation to the Non-Public Issuance			
Section V Matters in Relation to Dilution of Current Return Due to the Issuance	IV. (I) Relationship Between the Proceeds Funded Projects and the Company's Existing Business		

Saved for the aforesaid amendments, other contents of the plan for the 2020 Non-public Issuance of A Shares of the Company remain unchanged. For the full text of the [2020 Plan for the Non-public Issuance of A Shares of the Company (Revised Draft)(2020年非公开发行A股股票预案(修订稿))], please refer to the overseas regulatory announcement published by the Company on 23 June 2020.

By order of the Board
Red Star Macalline Group Corporation Ltd.
GUO Binghe
Vice Chairman

Shanghai, the PRC
23 June 2020

As at the date of this announcement, the executive Directors of the Company are CHE Jianxing, GUO Binghe, CHE Jianfang and JIANG Xiaozhong; the non-executive Directors are CHEN Shuhong, XU Guofeng, JING Jie and XU Hong; and the independent non-executive Directors are QIAN Shizheng, LEE Kwan Hung, Eddie, WANG Xiao and ZHAO Chongyi.