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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)**

### **COMPLETION OF THE NON-PUBLIC ISSUANCE OF A SHARES**

References are made to (i) the announcements dated 3 May 2020, 3 June 2020 and 23 June 2020, and the circular dated 3 June 2020 (the “**Circular**”) in relation to, among other things, the Non-public Issuance of A Shares; (ii) the announcements dated 19 April 2021 and 18 May 2021, and the circular dated 26 April 2021 in relation to the extension of validity period of the resolution in respect of the Non-public Issuance of A Shares and the relevant authorization of Red Star Macalline Group Corporation Ltd. (the “**Company**”). Unless otherwise specified, the terms used in this announcement have the same meanings as those defined in the Circular.

The Board is pleased to announce that the Company has completed the Non-public Issuance of A Shares, and the new Shares have been registered with the Shanghai Branch of China Securities Depository and Clearing Corporation Limited on 20 October 2021. After completion of the Non-public Issuance of A Shares, the total number of Shares increased from 3,905,000,000 Shares to 4,354,732,673 Shares, with the total number of A Shares increased from 3,163,714,366 A Shares to 3,613,447,039 A Shares.

### **THE BASIC INFORMATION OF THE NON-PUBLIC ISSUANCE**

Class of Shares:	RMB ordinary shares (A Shares)
Nominal value per Share:	RMB1.00
Number of Shares issued:	449,732,673 A Shares
Issue price:	RMB8.23 per Share
Gross proceeds:	RMB3,701,299,898.79
Costs of the issuance (exclusive of tax):	RMB22,936,099.50

Net proceeds: RMB3,678,363,799.29 元

Lock-up period: The Target Subscribers shall not transfer the A Shares subscribed under the Non-public Issuance of A Shares within six (6) months from the listing of A Shares subscribed under the Non-public Issuance of A Shares

Use of proceeds The amount of gross proceeds from the Non-public Issuance of A Shares will be RMB3,701,299,898.79, which is intended to use as follows:

*Unit: RMB ten thousand*

No.	Project Name	Investment in Project	Proceeds Proposed to be Used
1	Home Furnishing Mall Construction Project		
	1.1 Foshan Lecong Shopping Mall Project	126,781.96	100,000.00
	1.2 Nanning Dingqiu Shopping Mall Project	60,668.75	56,000.00
	1.3 Nanchang Chaoyang Xincheng Shopping Mall Project	58,988.02	16,091.00
	<b>Subtotal</b>	<u>246,438.73</u>	<u>172,091.00</u>
2	Tmall “Home Decoration Tongcheng Station” Project	89,054.00	22,000.00
3	3D Shejiyun Platform Construction Project	62,318.00	30,000.00
4	Construction Project for New Generation Home Improvement Platform System	62,898.00	35,000.00
5	Repayment of Interest-bearing Debts of the Company	117,000.00	111,038.99
	<b>Total</b>	<u><u>577,708.73</u></u>	<u><u>370,129.99</u></u>

The net proceeds after deducting the costs relating to the issuance will be RMB3,678,363,799.29.

## THE RESULTS OF THE NON-PUBLIC ISSUANCE OF A SHARES AND INFORMATION ON THE TARGET SUBSCRIBERS

The table below sets out the results of the the Non-public Issuance of A shares and certain information on the Target Subscribers:

No.	Name of the Target Subscribers	A Shares subscribed	Subscription Amount (RMB)	Lock-up Period
1	Guohua Life Insurance Co., Ltd-Traditional No.7	12,150,668	99,999,997.64	6 months
2	Alibaba (Chengdu) Software Technology Co., Ltd.	42,527,339	349,999,999.97	6 months
3	Hetai Life Insurance Co., Ltd-Traditional Insurance Products	12,150,668	99,999,997.64	6 months
4	Hetai Life Insurance Co., Ltd-Hetai Hejiahuan Life Annuity Insurance (Participating)	12,150,668	99,999,997.64	6 months
5	Keeson Technology Corporation Limited	12,150,668	99,999,997.64	6 months
6	Guo You Xiang Zhi(國友祥志)	12,150,668	99,999,997.64	6 months
7	Galaxy Derivatives Financial Service Co., Ltd.	19,441,069	159,999,997.87	6 months
8	Haitong Securities Co., Ltd.	12,150,668	99,999,997.64	6 months
9	Foresight Fund Management Co., Ltd.	24,301,336	199,999,995.28	6 months
10	Caitong Fund Management Co., Ltd.	65,318,347	537,569,995.81	6 months
11	Hua An Fund Management Co., Ltd.	24,301,336	199,999,995.28	6 months
12	Lord Abbett China Asset Management Co., Ltd.	39,064,398	321,499,995.54	6 months
13	BNP Paribas	14,580,801	119,999,992.23	6 months
14	Ningbo Ningju Asset Management Center (Limited Partnership)- Ningju Quantitative Multi-Strategy No. 8 Private Equity Securities Investment Fund	36,452,004	299,999,992.92	6 months
15	Guotai Junan Securities Co., Ltd.	26,731,470	219,999,998.10	6 months
16	Ningbo Hongxu Investment Management Partnership (Limited Partnership)	60,753,341	499,999,996.43	6 months
17	Cinda Securities Company Limited	23,357,224	192,229,953.52	6 months

All the Target Subscribers of the Non-public Issuance of A Shares and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons, and after the completion of the subscription of A Shares by each of them in accordance with the Non-public Issuance of A Shares, none of them will become a substantial shareholder.

**CHANGE OF THE TOP 10 SHAREHOLDERS IMMEDIATELY BEFORE AND AFTER THE COMPLETION OF THE NON-PUBLIC ISSUANCE OF A SHARES**

As of 30 September 2021, shareholdings of the top 10 Shareholders of the Company are as follow:

No.	Name of the Shareholders	Nature of Shares	Number of the Shares held (Shares)	Proportion of Shareholding (%)	Number of restricted Shares held (Shares)
1	Red Star Macalline Holding Group Company Limited	Ordinary Share	2,136,052,349	54.70	–
2	HKSCC Nominees Limited	Ordinary Share	741,033,336	18.98	–
3	Red Star Macalline Holding Group Company Limited-Red Star Macalline Holding Group Company Limited 2019 Non-Public Offering of Exchangeable Corporate Bonds (Phase I) Designated Shares Pledge Account	Ordinary Share	550,908,658	14.11	–
4	Zhongrong Life Insurance Co., Ltd.- Dividend Products	Ordinary Share	42,999,969	1.10	–
5	Ningbo Meishan Free Trade Port Haifeng Shangde Investment Management Partnership (Limited Partnership)	Ordinary Share	18,115,992	0.46	–
6	Tibet Yiyong Enterprise Management Co., Ltd.	Ordinary Share	18,000,000	0.46	–
7	Shaanxi International Trust Co., Ltd.- Shaanxi International Investment • Macalline Phase III Employee Shareholding Single Fund Trust	Ordinary Share	15,780,000	0.40	–
8	Hong Kong Securities Clearing Company Limited	Ordinary Share	13,781,431	0.35	–
9	AEON Life Insurance Co., Ltd. -Participating Insurance Products	Ordinary Share	12,544,567	0.32	–
10	Shaanxi International Trust Co., Ltd.- Shaanxi International Investment • Macalline's Controlling Shareholders and Subsidiaries Employee Stock Ownership Phase II Single Fund Trust	Ordinary Share	10,630,000	0.27	–
		<b>Total</b>	<b><u>3,559,984,630</u></b>	<b><u>91.16</u></b>	<b>–</b>

Top 10 shareholders immediately after the completion of the Non-public Issuance of A Shares are as follow:

No.	Name of the Shareholders	Category of the Shares held	Number of the Shares held (Shares)	Proportion of Shareholding (%)	Number of restricted Shares held (Shares)
1	Red Star Macalline Holding Group Company Limited	Ordinary Share	2,136,052,349	49.05	–
2	HKSCC Nominees Limited	Ordinary Share	741,034,496	17.02	–
3	Red Star Macalline Holding Group Company Limited-Red Star Macalline Holding Group Company Limited 2019 Non-Public Offering of Exchangeable Corporate Bonds (Phase I) Designated Shares Pledge Account	Ordinary Share	550,908,658	12.65	–
4	Ningbo Hongxu Investment Management Partnership (Limited Partnership)	Ordinary Share	60,753,341	1.40	60,753,341
5	Caitong Fund – Minmetals Trust Cong Yu Series-Fudin No.3 Pooled Fund Trust Plan-Caitong Fund Minmetals Trust Cong Yu No. 2 Single Asset Management Plan	Ordinary Share	48,481,166	1.11	48,481,166
6	Zhongrong Life Insurance Co., Ltd.- Dividend Products	Ordinary Share	42,999,969	0.99	–
7	Alibaba (Chengdu) Software Technology Co., Ltd.	Ordinary Share	42,527,339	0.98	42,527,339
8	Ningbo Ningju Asset Management Center (Limited Partnership)-Ningju Quantitative Multi-Strategy No. 8 Private Equity Securities Investment Fund	Ordinary Share	36,452,004	0.84	36,452,004
9	Guotai Junan Securities Co., Ltd.	Ordinary Share	27,827,160	0.64	26,731,470
10	Lord Fund – Guotai Junan Securities Co., Ltd. – Lord Fund Pujiang No.188 Single Asset Management Plan	Ordinary Share	24,981,774	0.57	24,981,774
		<b>Total</b>	<b><u>3,712,018,256</u></b>	<b><u>85.24</u></b>	<b>–</b>

**CHANGE OF THE COMPANY'S SHAREHOLDING STRUCTURE IMMEDIATELY BEFORE AND AFTER THE COMPLETION OF THE NON-PUBLIC ISSUANCE OF A SHARES**

Class of Shares	Immediately before the completion of the Non-public Issuance of A Shares (As of 30 September 2021)		Immediately after the completion of the Non-public Issuance of A Shares	
	Number of Shares	Approximate percentage of the total issued share capital (%)	Number of Shares	Approximate percentage of the total issued share capital (%)
1. Circulating shares not subject to trading restrictions	3,905,000,000	100.00	3,905,000,000	89.67
2. Circulating shares subject to trading restrictions	0	0.00	449,732,673	10.33
<b>Total</b>	<b><u>3,905,000,000</u></b>	<b><u>100.00</u></b>	<b><u>4,354,732,673</u></b>	<b><u>100.00</u></b>

For further details on the Non-public Issuance of A Shares, please also refer to the overseas regulatory announcement published by the Company on the same date.

Based on the publicly available information and to the best knowledge of the Directors, public float of the Company is still in compliance with the minimum public float requirement set out in Rule 8.08 of the Hong Kong Listing Rule.

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

Hong Kong  
21 October 2021

*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, JING Jie, XU Hong, CHEN Zhaohui and JIANG Xiangyu; and the independent non-executive directors are QIAN Shizheng, LEE Kwan Hung, Eddie, WANG Xiao, ZHAO Chongyi and QIN Hong.*