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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)

### PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The board of directors (the “**Board**”) of Red Star Macalline Group Corporation Ltd. (the “**Company**”) announces that in order to comply with the requirements of the core shareholder protection standard as set out in Appendix III of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, and combined on the actual situation of the Company in order to further improve the corporate governance system of the Company, following amendments to the articles of association (the “**Articles of Association**”) of the Company have been proposed to made:

Existing Provisions of the Articles of Association	Amended Provisions of the Articles of Association
<p><b>Article 42</b> The Company may keep overseas the register of holders of overseas listed foreign shares and entrust it to the care of an overseas agency in accordance with the understanding and agreement reached between the securities regulatory authority under the State Council and the overseas securities regulatory authority.</p> <p>The Company shall keep in Hong Kong the original of the register of holders of shares listed on the Hong Kong Stock Exchange in the register of holders of overseas listed foreign shares and keep at its domicile copies of the said register; the entrusted overseas agency shall always ensure that the original and copies of the register of holders of overseas listed foreign shares are consistent.</p> <p>Where the original and copies of the register of holders of overseas listed foreign shares are inconsistent, the original shall prevail.</p>	<p><b>Article 42</b> The Company may keep overseas the register of holders of overseas listed foreign shares and entrust it to the care of an overseas agency in accordance with the understanding and agreement reached between the securities regulatory authority under the State Council and the overseas securities regulatory authority.</p> <p>The Company shall keep in Hong Kong the original of the register of holders of shares listed on the Hong Kong Stock Exchange in the register of holders of overseas listed foreign shares and keep at its domicile copies of the said register; the entrusted overseas agency shall always ensure that the original and copies of the register of holders of overseas listed foreign shares are consistent.</p> <p>Where the original and copies of the register of holders of overseas listed foreign shares are inconsistent, the original shall prevail.</p> <p><b><u>The Hong Kong branch register of holders must be available for inspection by shareholders, but the company may be allowed to close the register of members on terms equivalent to section 632 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).</u></b></p>

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<p><b>Article 53</b> The ordinary shareholders of the Company shall be entitled to the following rights:</p> <p>(I) To receive dividends and other profit distributions in proportion to the shares they hold;</p> <p>(II) To attend general meetings either in person or by proxy and exercise the voting right;</p> <p>(III) To supervise, present suggestions on or make inquiries about the business activities of the Company;</p> <p>(IV) To transfer shares in accordance with the laws, administrative regulations and the Articles of Association;</p> <p>(V) To obtain relevant information in accordance with the Articles of Association, including:</p> <ol style="list-style-type: none"> <li>1. Obtaining the copy of the Articles of Association after payment of production cost;</li> <li>2. Being entitled to access and copy after payment of reasonable expenses: <ol style="list-style-type: none"> <li>(1) Copies of all shareholders' registers;</li> <li>(2) Personal information of the Company's directors, supervisors, general manager and other senior executives, including: <ol style="list-style-type: none"> <li>(a) Present and former names and aliases;</li> </ol> </li> </ol> </li> </ol>	<p><b>Article 53</b> The ordinary shareholders of the Company shall be entitled to the following rights:</p> <p>(I) To receive dividends and other profit distributions in proportion to the shares they hold;</p> <p>(II) To attend general meetings either in person or by proxy and exercise the voting right;</p> <p>(III) To supervise, present suggestions on or make inquiries about the business activities of the Company;</p> <p>(IV) To transfer shares in accordance with the laws, administrative regulations and the Articles of Association;</p> <p>(V) To obtain relevant information in accordance with the Articles of Association, including:</p> <ol style="list-style-type: none"> <li>1. Obtaining the copy of the Articles of Association after payment of production cost;</li> <li>2. Being entitled to access <b>by shareholders free of charge</b> and copy after payment of reasonable expenses <b>by shareholders</b>: <ol style="list-style-type: none"> <li>(1) Copies of all shareholders' registers;</li> <li>(2) <b><u>Minutes of the general meetings;</u></b></li> <li>(3) <b><u>Copies of resolutions of the Board meetings and meetings of the Supervisory Committee;</u></b></li> <li>(4) Personal information of the Company's directors, supervisors, general manager and other senior executives, including:</li> </ol> </li> </ol>

Existing Provisions of the Articles of Association	Amended Provisions of the Articles of Association
<p>(b) Principal address (domicile);</p> <p>(c) Nationality;</p> <p>(d) Full-time and all part-time occupations and duties;</p> <p>(e) Identity certificates and numbers thereof.</p> <p>(3) Report of status of the issued share capital of the Company;</p> <p>(4) Reports of the total par value, number of shares, and the highest and lowest prices of each class of shares bought back by the Company since the last fiscal year, and the total expense paid by the Company for this purpose (by domestic shares and external shares (and H shares, if applicable));</p> <p>(5) Minutes of the general meetings (for reference of shareholders only) and copies of the Company's special resolutions, copies of resolutions of the Board meetings and meetings of the Supervisory Committee;</p> <p>(6) The latest audited financial statements of the Company, and the reports of directors, auditors, and supervisors;</p> <p>(7) Copy of the latest annual inspection report filed with the industry and commerce authority of China or other competent authorities;</p>	<p>(a) Present and former names and aliases;</p> <p>(b) Principal address (domicile);</p> <p>(c) Nationality;</p> <p>(d) Full-time and all part-time occupations and duties;</p> <p>(e) Identity certificates and numbers thereof.</p> <p><b>(5)</b> Report of status of the issued share capital of the Company;</p> <p><b>(6)</b> Reports of the total par value, number of shares, and the highest and lowest prices of each class of shares bought back by the Company since the last fiscal year, and the total expense paid by the Company for this purpose (by domestic shares and external shares (and H shares, if applicable));</p> <p><b>(7)</b> <del>Minutes of the general meetings (for reference of shareholders only) and copies of The Company's special resolutions, copies of resolutions of the Board meetings and meetings of the Supervisory Committee;</del></p> <p><b>(8)</b> The latest audited financial statements of the Company, and the reports of directors, auditors, and supervisors; <b>and</b></p> <p><b>(9)</b> Copy of the latest <b>corporate annual report</b> filed with the industry and commerce authority of China or other competent authorities;</p>

Existing Provisions of the Articles of Association	Amended Provisions of the Articles of Association
<p data-bbox="204 214 727 246">3. Counterfoils of corporate bonds;</p> <p data-bbox="279 289 770 1293">The Company shall keep at its Hong Kong address the documents as referred to in (2) to (7) above and any other applicable document as per the requirements of the Listing Rules for free reference of the public and shareholders (except minutes of the general meetings for reference of shareholders only). Shareholders of the Company can also inspect the resolutions of the meetings of the Board and the Supervisory Committee of the Company, as well as the counterfoils of any corporate bonds. If any shareholder requests access to the aforesaid relevant or provision of data, the said shareholder shall provide the Company with written documents bearing evidence of the type and number of shares held by the said shareholder, and the Company will provide the said information as required by the said shareholder upon authentication of the said shareholder.</p> <p data-bbox="129 1342 770 1485">(VI) In the event of termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company as per their shares;</p> <p data-bbox="129 1527 770 1670">(VII) For shareholders objecting to resolutions of the general meeting concerning merger or division of the Company, to require the Company to buy their shares;</p>	<p data-bbox="888 214 1412 246">3. Counterfoils of corporate bonds;</p> <p data-bbox="963 289 1471 1410">The Company shall <b>publish</b> the documents as referred to in <b>(5)</b> to <b>(9)</b> above and any other applicable document <b><u>on Hong Kong Stock Exchange website and the Company's website</u></b> as per the requirements of the Listing Rules. <b><u>The Company shall</u></b> keep at its Hong Kong address <b><u>the documents as referred to in (1) and (2) for shareholders' inspection free of charge, and copy by shareholders at reasonable expenses.</u></b> Shareholders of the Company can also inspect the resolutions of the meetings of the Board and the Supervisory Committee of the Company, as well as the counterfoils of any corporate bonds. If any shareholder requests access to the aforesaid relevant or provision of data, the said shareholder shall provide the Company with written documents bearing evidence of the type and number of shares held by the said shareholder, and the Company will provide the said information as required by the said shareholder upon authentication of the said shareholder.</p> <p data-bbox="815 1453 1471 1596">(VI) In the event of termination or liquidation of the Company, to participate in the distribution of the remaining assets of the Company as per their shares;</p> <p data-bbox="815 1638 1471 1781">(VII) For shareholders objecting to resolutions of the general meeting concerning merger or division of the Company, to require the Company to buy their shares;</p>

Existing Provisions of the Articles of Association	Amended Provisions of the Articles of Association
<p>(VIII) Pursuant to the <i>Company Law</i> or other laws and administrative regulations, to institute legal proceedings to the People’s Court and claim related rights concerning any act infringing upon the interests of the Company or the legitimate rights and interests of the shareholders;</p> <p>(IX) To exercise other rights specified by laws, administrative regulations, departmental rule, listing rules at the location where the Company’s shares are listed and the Articles of Association.</p>	<p>(VIII) Pursuant to the <i>Company Law</i> or other laws and administrative regulations, to institute legal proceedings to the People’s Court and claim related rights concerning any act infringing upon the interests of the Company or the legitimate rights and interests of the shareholders;</p> <p>(IX) To exercise other rights specified by laws, administrative regulations, departmental rule, listing rules at the location where the Company’s shares are listed and the Articles of Association.</p>
<p><b>Article 67</b> Where the Company convenes a general meeting, the convener shall notify all the shareholders by means of public announcement at least 20 business days before the date of the annual general meeting and at least 10 business days or 15 days (whichever is longer) before the date of the extraordinary general meeting.</p> <p>The duration of the aforesaid periods shall not include the date of such announcement and the date of the meeting. The “business day” in the Articles of Association shall mean a day on which the Hong Kong Stock Exchange is open for business for dealing in securities.</p>	<p><b>Article 67</b> Where the Company convenes a general meeting, the convener shall notify all the shareholders by means of public announcement at least 20 <del>business</del> days before the date of the annual general meeting and at least <del>10 business days or</del> 15 days (<del>whichever is longer</del>) before the date of the extraordinary general meeting.</p> <p>The duration of the aforesaid periods shall not include the date of such announcement and the date of the meeting. The “business day” in the Articles of Association shall mean a day on which the Hong Kong Stock Exchange is open for business for dealing in securities.</p>

Existing Provisions of the Articles of Association	Amended Provisions of the Articles of Association
<p><b>Article 76</b> If individual shareholders attend the meeting in person, he/she shall present his/her ID card or other valid documents, proof or stock account card to identify him/herself; if a proxy is appointed to attend the meeting, he/she shall present valid identity documents and power of attorney of the relevant shareholder.</p> <p>As for a corporate shareholder, its legal representative or a proxy appointed by such legal representative shall attend the meeting. The legal representative who attends the meeting shall present his/her ID card, and valid certificates which can prove his/her qualification as a legal representative; if a proxy is appointed to attend the meeting, he/she shall present his/her ID card, the written power of attorney legally issued by the legal representative of the corporate shareholder in accordance with the relevant laws.</p>	<p><b>Article 76</b> If individual shareholders attend the meeting in person, he/she shall present his/her ID card or other valid documents, proof or stock account card to identify him/herself; if a proxy is appointed to attend the meeting, he/she shall present valid identity documents and power of attorney of the relevant shareholder.</p> <p>As for a corporate shareholder, its legal representative or a proxy appointed by such legal representative shall attend the meeting, <b><u>deemed to be present in person by such corporate shareholder</u></b>. The legal representative who attends the meeting shall present his/her ID card, and valid certificates which can prove his/her qualification as a legal representative; if a proxy is appointed to attend the meeting, he/she shall present his/her ID card, the written power of attorney legally issued by the legal representative of the corporate shareholder in accordance with the relevant laws.</p> <p><b><u>The clearing company shall be entitled to appoint proxies to attend general meetings of the Company and meetings of creditors, and these proxies or representatives of the Company shall have the same legal rights as other shareholders, including the right to speak and vote.</u></b></p>

Existing Provisions of the Articles of Association	Amended Provisions of the Articles of Association
<p><b>Article 116</b> A director may resign prior to the expiration of his term by tendering a written resignation to the Board. The Board shall disclose the relevant information within two days.</p> <p>If the number of directors of the Board falls below the quorum as a result of any resignation, such resignation shall not become effective until the vacancy resulting from such resignation is filled up by a succeeding director. The remaining directors shall convene an extraordinary general meeting as soon as possible to elect a director to fill the vacancy caused by the said resignation.</p>	<p><b>Article 116</b> A director may resign prior to the expiration of his term by tendering a written resignation to the Board. The Board shall disclose the relevant information within two days.</p> <p>If the number of directors of the Board falls below the quorum as a result of any resignation, such resignation shall not become effective until the vacancy resulting from such resignation is filled up by a succeeding director. The remaining directors shall convene an extraordinary general meeting as soon as possible to elect a director to fill the vacancy caused by the said resignation. <b><u>Any person appointed by the Board as a director to fill a casual vacancy on or as an addition to the Board shall hold office only until the first annual general meeting of the issuer after his appointment, and shall then be eligible for re-election.</u></b></p>
<p><b>Article 164</b> If directors, supervisors, general manager and other senior executives of the Company have any direct or indirect material interests in any contract, transaction or arrangement already concluded or under planning with the Company (exclusive of engagement contract with the Company), they shall responsively disclose the nature and extent of the said interests to the Board regardless whether the relevant matters are subject to approval by the Board in normal circumstances.</p> <p>If any director has connection with the enterprise involved in the resolution made at a Board meeting, the said director shall not vote on the said resolution for himself or on behalf of another director and shall abstain from voting. The Board meeting may be held when more than half of the non-connected directors attend the meeting. The resolution of the Board meeting shall be passed by more than half of the non-connected directors. If the number of non-connected directors attending the meetings is less than 3, the issue shall be submitted to the general meeting of the listed company for examination.</p>	<p><b>Article 164</b> If directors, supervisors, general manager and other senior executives of the Company have any direct or indirect material interests in any contract, transaction or arrangement already concluded or under planning with the Company (exclusive of engagement contract with the Company), they shall responsively disclose the nature and extent of the said interests to the Board regardless whether the relevant matters are subject to approval by the Board in normal circumstances.</p> <p>If any director has connection with the enterprise involved in the resolution made at a Board meeting, the said director shall not vote on the said resolution for himself or on behalf of another director and shall abstain from voting. The Board meeting may be held when more than half of the non-connected directors attend the meeting. The resolution of the Board meeting shall be passed by more than half of the non-connected directors. If the number of non-connected directors attending the meetings is less than 3, the issue shall be submitted to the general meeting of the listed company for examination.</p>

Existing Provisions of the Articles of Association	Amended Provisions of the Articles of Association
<p>Unless under the exceptional circumstances specified in Note 1 of Appendix 3 of Listing Rules or approved by the Hong Kong Stock Exchange, a director shall not vote on any resolution of the Board which approves the contract, transaction or arrangement or any other relevant suggestions where he/she or his/her close associates (as defined in the applicable Listing Rules which come into effect from time to time) own a material interest; and shall not be included into the quorum of the meeting. If the relevant contract, transaction, arrangement or suggestion involves the connected transaction specified in the Listing Rules, the “close associates” herein shall be changed to “associates” (as defined in the applicable Listing Rules which come into effect from time to time).</p> <p>Unless the directors, supervisors, general manager and other senior executives of the Company having material interests have disclosed to the Board as per Paragraph 1 herein, and the said transaction is approved at the Board meeting at which they are not included into the quorum and do not vote, the Company shall have the right to cancel the said contract, transaction or arrangement, save for the circumstance in which the other parties are goodwill parties uninformed of the default of the relevant directors, supervisors, managers and other senior executives.</p> <p>If the connected persons or associates of the directors, supervisors, general manager and other senior executives of the Company have any interests in a given contract, transaction or arrangement, the said directors, supervisors, general manager and other senior executives shall also be deemed as having interests.</p>	<p>Unless under the exceptional circumstances <del>specified in Note 1 of Appendix 3 of Listing Rules</del> or approved by the Hong Kong Stock Exchange, a director shall not vote on any resolution of the Board which approves the contract, transaction or arrangement or any other relevant suggestions where he/she or his/her close associates (as defined in the applicable Listing Rules which come into effect from time to time) own a material interest; and shall not be included into the quorum of the meeting. If the relevant contract, transaction, arrangement or suggestion involves the connected transaction specified in the Listing Rules, the “close associates” herein shall be changed to “associates” (as defined in the applicable Listing Rules which come into effect from time to time).</p> <p>Unless the directors, supervisors, general manager and other senior executives of the Company having material interests have disclosed to the Board as per Paragraph 1 herein, and the said transaction is approved at the Board meeting at which they are not included into the quorum and do not vote, the Company shall have the right to cancel the said contract, transaction or arrangement, save for the circumstance in which the other parties are goodwill parties uninformed of the default of the relevant directors, supervisors, managers and other senior executives.</p> <p>If the connected persons or associates of the directors, supervisors, general manager and other senior executives of the Company have any interests in a given contract, transaction or arrangement, the said directors, supervisors, general manager and other senior executives shall also be deemed as having interests.</p>

Save for the above amendments to the provisions, other provisions of the Articles of Association will remain unchanged. The proposed amendments to the Articles of Association is subject to approval of the Shareholders at the general meeting of the Company, and it is proposed at the general meeting of the Company to authorize the Board and the Board to then authorize the operating management of the Company to handle relevant formalities such as the registration/filing of changes with relevant competent departments in respect of the amendments to the Articles of Association. For details relating to the time and arrangement of the general meeting of the Company, please refer to the circular to be issued by the Company in due course.

By order of the Board  
**Red Star Macalline Group Corporation Ltd.**  
**QIU Zhe**  
*Secretary of the Board and Joint Company Secretary*

Shanghai, the PRC  
30 March 2023

*As at the date of this announcement, the executive Directors of the Company are CHE Jianxing and LI Jianhong; the non-executive Directors are CHEN Zhaohui, JIANG Xiangyu, HU Xiao, ZHENG Yongda, WANG Wenhui and ZOU Shaorong; and the independent non-executive Directors are QIAN Shizheng, LEE Kwan Hung, Eddie, WANG Xiao, ZHAO Chongyi and QIN Hong.*