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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 THE OPERATING STATISTICS FOR THE FIRST HALF OF 2021**

This announcement is made by Red Star Macalline Group Corporation Ltd. (the “**Company**”) pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.

**The board of directors and all directors of the Company confirm that there are no false representations, misleading statements, or material omissions in this announcement, and they shall individually and collectively accept full responsibility for the truthfulness, accuracy and completeness of contents herein.**

In accordance with the relevant requirements under the Guidelines No. 5 on Industry Information Disclosure of Listed Companies – Retail (《上市公司行業信息披露指引第五號－零售》) and the Notice in relation to the Endeavour on Disclosure of the Report for the First Half of 2021 by the Listed Companies of the main board (《關於做好主板上市公司2021年半年度報告披露工作的通知》) issued by the Shanghai Stock Exchange, the Company hereby discloses its principal operating statistics for the first half of 2021 (the “**Reporting Period**”) as follows:

As of 30 June 2021, the Company operated 93 Portfolio Shopping Malls, 276 Managed Shopping Malls, and 12 home furnishing malls through strategic cooperation. In addition, the Company opened 67 franchised home improvement material projects by way of franchising, which includes a total of 483 home improvement material stores/industry streets.

## I. CHANGES IN MALLS FOR THE FIRST HALF OF 2021

there were one new Portfolio Shopping Mall of the Company which was changed from one Managed Shopping Mall, situated in Shenzhen, Guangdong Province; three new Managed Shopping Malls and seven newly opened Malls, situated in Liaocheng, Shandong Province, Zhangjiakou, Hebei Province, Huainan, Anhui Province, Yuncheng, Shanxi Province, Tai'an, Shandong Province, Xi'an, Shaanxi Province and Handan, Hebei Province; and three closed Managed Shopping Malls, situated in Zhoushan, Zhejiang Province, Shaoxing, Zhejiang Province, and Dalian, Liaoning Province.

### (I) Changes in Malls During the Reporting Period

**Table 1–1 Changes in Owned Portfolio Shopping Malls during the Reporting Period**

*Unit: m<sup>2</sup>*

Mode of Operation	Location	Malls as at the Beginning of the Period		New Malls		Malls Transferred from Other Business Mode		Closed Malls		Malls Transferred into Other Business Mode		Malls as at the End of the Period	
		No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area
Owned	Beijing	3	226,359									3	226,861
Owned	Shanghai	7	905,389									7	904,848
Owned	Tianjin	4	457,240									4	459,566
Owned	Chongqing	4	317,145									4	317,679
Owned	Northeast China	10	1,030,696									10	1,063,534
Owned	North China (excluding Beijing and Tianjin)	3	223,479									3	223,987
Owned	East China (excluding Shanghai)	13	1,500,666									13	1,547,947
Owned	Central China	4	527,162									4	526,460
Owned	South China	2	116,204									3	183,237
Owned	West China (excluding Chongqing)	8	628,037			1	67,036					8	664,416
<b>Total:</b>		<b>58</b>	<b>5,932,377</b>			<b>1</b>	<b>67,036</b>					<b>59</b>	<b>6,118,534</b>

*Note 1:* The discrepancies between total and sums of amounts in the table above are due to rounding.

*Note 2:* Portfolio Shopping Malls stated in this announcement include Owned Portfolio Shopping Malls, JV/ Associate Portfolio Shopping Malls and Leased Portfolio Shopping Malls.

**Table 1–2 Changes in JV/Associate  
Portfolio Shopping Malls during the Reporting Period**

*Unit: m<sup>2</sup>*

Mode of Operation	Location	Malls as at the Beginning of the Period		New Malls		Malls Transferred from Other Business Mode		Closed Malls		Malls Transferred into Other Business Mode		Malls as at the End of the Period	
		No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area
JV/Associate	Beijing	–	–									–	–
JV/Associate	Shanghai	–	–									–	–
JV/Associate	Tianjin	–	–									–	–
JV/Associate	Chongqing	–	–									–	–
JV/Associate	Northeast China	–	–									–	–
JV/Associate	North China (excluding Beijing and Tianjin)	–	–									–	–
JV/Associate	East China (excluding Shanghai)	3	247,702									3	248,689
JV/Associate	Central China	–	–									–	–
JV/Associate	South China	1	15,857									1	16,975
JV/Associate	West China (excluding Chongqing)	1	89,268									1	89,268
<b>Total:</b>		<b>5</b>	<b>352,827</b>									<b>5</b>	<b>354,932</b>

*Note 1:* The discrepancies between total and sums of amounts in the table above are due to rounding.

**Table 1–3 Changes in Leased  
Portfolio Shopping Malls during the Reporting Period**

*Unit: m<sup>2</sup>*

Mode of Operation	Location	Malls as at the Beginning of the Period		New Malls		Malls Transferred from Other Business Mode		Closed Malls		Malls Transferred into Other Business Mode		Malls as at the End of the Period	
		No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area
Leased	Beijing	1	117,369									1	117,414
Leased	Shanghai	–	–									–	–
Leased	Tianjin	–	–									–	–
Leased	Chongqing	2	132,752									2	132,780
Leased	Northeast China	–	–									–	–
Leased	North China (excluding Beijing and Tianjin)	8	441,017									8	440,893
Leased	East China (excluding Shanghai)	11	544,912									11	543,756
Leased	Central China	5	409,680									5	414,518
Leased	South China	2	103,345			1	37,469			1	67,036	2	73,782
Leased	West China (excluding Chongqing)	–	–									–	–
<b>Total:</b>		<b>29</b>	<b>1,749,074</b>			<b>1</b>	<b>37,469</b>			<b>1</b>	<b>67,036</b>	<b>29</b>	<b>1,723,143</b>

*Note 1:* The discrepancies between total and sums of amounts in the table above are due to rounding.

**Table 1–4 Changes in Managed Shopping Malls during the Reporting Period**

*Unit: m<sup>2</sup>*

Mode of Operation	Location	Malls as at the Beginning of the Period		New Malls		Malls Transferred from Other Business Mode		Closed Malls		Malls Transferred into Other Business Mode		Malls as at the End of the Period	
		No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area	No. of Malls	Operating Area
Managed	Beijing	1	112,885									1	112,885
Managed	Shanghai	—	—									—	—
Managed	Tianjin	3	178,268									3	178,197
Managed	Chongqing	8	265,218									8	265,282
Managed	Northeast China	14	714,635					1	70,178			13	626,515
Managed	North China (excluding Beijing and Tianjin)	28	1,536,903	3	62,436							31	1,598,357
Managed	East China (excluding Shanghai)	119	6,486,497	3	93,626			2	158,467			120	6,424,869
Managed	Central China	40	1,852,924									40	1,802,819
Managed	South China	13	649,539							1	37,469	12	609,175
Managed	West China (excluding Chongqing)	47	2,224,522	1	68,910							48	2,301,820
<b>Total:</b>		<b>273</b>	<b>14,021,390</b>	<b>7</b>	<b>224,971</b>			<b>3</b>	<b>228,645</b>	<b>1</b>	<b>37,469</b>	<b>276</b>	<b>13,919,918</b>

*Note 1:* The discrepancies between total and sums of amounts in the table above are due to rounding.

*Note 2:* Malls Transferred into Other Business Mode: one mall was changed from a Managed Shopping Mall to a Leased Portfolio Shopping Mall.

## (II) Details of Changes in Malls during the Reporting Period

**Table 1–5 Newly-added Malls during the Reporting Period**

*Unit: m<sup>2</sup>*

Name	Address	Operating Area	Opening Date	Way of Contracting	Contract Period (Applicable to Leased and Managed Business Mode)
Liaocheng Dongchang Road	No.101, Red Star Macalline East, Dongchang East Road, Economic and Technological Development Zone, Liaocheng, Shandong Province	47,879	1 May 2021	Contracted management	10 years since the opening
Zhangbei Hua'an	Northwest Side, 4F, Red Star Macalline at the intersection of Beichen Road and Huapiling Street, Zhangbei Town, Zhangbei County, Zhangjiakou City, Hebei Province	13,856	16 May 2021	Contracted management	10 years since the opening
Shou County Yaohai	Red Star Macalline Shopping Mall, Building 2, Comprehensive Market, Yaohai, Shouchun Road, Shouchun Town, Shou County, Huainan City, Anhui Province	23,230	29 May 2021	Contracted management	10 years since the opening
Yuncheng Xueyuan Road	Red Star Macalline Shopping Mall, Xueyuan Road, Yanhu District, Yuncheng City, Shanxi Province	37,113	18 June 2021	Contracted management	10 years since the opening
Tai'an High-speed Railway Station	Northeast of the Intersection of Gaotie Lingshan Street and Gaotie Qian Road, Zhoudian Avenue, Daiyue District, Tai'an City, Shandong Province	22,516	28 June 2021	Contracted management	10 years since the opening
Xi'an Grand Mall	East of Xifeng Road and North of Yanhuan Road, Yanta District, Xi'an City, Shaanxi Province	68,910	29 June 2021	Contracted management	10 years since the opening
Linzhang Jinfeng	Southeast Corner of the Intersection of Jinfeng Street and Zhuque Avenue, Linzhang County, Handan City, Hebei Province	11,467	30 June 2021	Contracted management	10 years since the opening

**Table 1-6 Mall Closures during the Reporting Period**

Name	Address	Operating Area	Opening Date	Way of Contracting	Contract Period (Applicable to Leased and Managed Business Mode)	Reason for Closure	Time of Closure
Zhoushan Lincheng	No.1188, Haitian Avenue, Dinghai District, Zhoushan City, Zhejiang Province	64,121.55	27 March 2011	Contracted management	10 years since the opening	Expiration of the entrusted management contract	March 2021
Shaoxing Second Ring	No.80, North Second Ring Road, Yuecheng District, Shaoxing City, Zhejiang Province	94,345.36	30 April 2011	Contracted management	10 years since the opening	Expiration of the entrusted management contract	April 2021
Dalian Malan	Red Star Macalline, No.52 Malan South Street, Shahekou District, Dalian City, Liaoning Province	70,178.08	29 December 2010	Contracted management	Due to expire on 30 June 2024	Termination due to the partner's reason	June 2021

## II. MALLS THAT ARE IN OPENING PREPARATION AS OF THE FIRST HALF OF 2021

As of 30 June 2021, the Company has 21 pipeline Portfolio Shopping Malls (of which 18 are Owned Portfolio Shopping Malls and 3 are Leased Portfolio Shopping Malls), and the planned construction area amounted to approximately 3.31 million sq.m. (subject to the final construction areas as approved in the government permit documents). Among the pipeline Managed Shopping Malls, we have obtained land use rights/land parcels for 346 managed contractual projects.

## III. REVENUE AND GROSS PROFIT MARGIN OF PORTFOLIO SHOPPING MALLS FOR THE FIRST HALF OF 2021

The Portfolio Shopping Malls opened by the Company recorded revenue of RMB4,053,752,901.59 during the Reporting Period, representing an increase of 28.7% as compared with the same period of last year; the gross profit margin was 75.4%, which was a decrease of 1.1 percentage points compared with the same period of 2020.

**Table 3–1 Revenue and Gross Profit Margin of Portfolio Shopping Malls Classified by Operating Mode**

*Unit: RMB*

Mode of Operation	Revenue	Change as Compared to the Same Period (%)	Gross Profit Margin (%)	Gross Profit Margin Change as Compared to the Same Period of Last Year (Percentage Point)
Owned Portfolio Shopping Malls	3,314,604,464.01	29.3%	84.8%	a decrease of 0.1 percentage points
Leased Portfolio Shopping Malls	595,709,100.15	30.6%	29.1%	a decrease of 4.8 percentage points
JV/Associate Portfolio Shopping Malls	143,439,337.43	9.2%	49.9%	a decrease of 11.0 percentage points
<b>Total:</b>	<b>4,053,752,901.59</b>	<b>28.7%</b>	<b>75.4%</b>	<b>a decrease of 1.1 percentage points</b>

*Note 1:* Malls listed above are Portfolio Shopping Malls opened as at the end of each period (including JV/Associate Portfolio Shopping Malls).

**Table 3–2 Revenue and Gross Profit Margin of  
Portfolio Shopping Malls Classified by Location**

*Unit: RMB*

Location	Revenue	Change as Compared to the Same Period (%)	Gross Profit Margin (%)	Gross Profit Margin Change as Compared to the Same Period of Last Year (Percentage Point)
Beijing	400,178,883.73	29.8%	75.1%	an increase of 2.2 percentage points
Shanghai	875,995,256.49	24.4%	89.5%	a decrease of 0.1 percentage points
Tianjin	94,612,873.42	25.9%	70.9%	a decrease of 1.3 percentage points
Chongqing	275,978,072.44	32.5%	80.6%	an increase of 1.6 percentage points
Northeast China	376,926,673.43	27.0%	85.2%	an increase of 1.9 percentage points
East China (excluding Shanghai)	1,042,745,473.65	21.9%	70.5%	a decrease of 3.1 percentage points
North China (excluding Beijing and Tianjin)	175,810,943.51	37.5%	56.2%	an increase of 12.8 percentage points
South China	102,233,446.81	33.4%	51.0%	a decrease of 0.2 percentage points
Central China	394,335,386.40	60.1%	59.5%	a decrease of 8.8 percentage points
West China (excluding Chongqing)	314,935,891.71	25.2%	76.6%	a decrease of 0.8 percentage points
<b>Total:</b>	<b><u>4,053,752,901.59</u></b>	<b><u>28.7%</u></b>	<b><u>75.4%</u></b>	<b>a decrease of <u>1.1 percentage points</u></b>

*Note 1:* Malls listed above are Portfolio Shopping Malls opened as at the end of each period (including JV/ Associate Portfolio Shopping Malls).

The operating information of this announcement is provided to investors to understand the operation of the Company only. The Company advises investors to exercise caution when using such information.

**This announcement is published simultaneously in Chinese and English. In the event of any inconsistency between Chinese and English versions, the Chinese version shall prevail.**

Notice is hereby given.

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

Shanghai, the PRC  
25 August 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 and CHEN Zhaohui; and the independent non-executive Directors are QIAN Shizheng, LEE Kwan Hung, Eddie, WANG Xiao, ZHAO Chongyi and QIN Hong.*