

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)

**ANNOUNCEMENT ON THE OPERATING
STATISTICS FOR THE THIRD QUARTER 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 Third Quarter of 2021 by the Listed Companies of the Main Board (《關於做好主板上市公司2021年第三季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 three quarters of 2021 (the “**Reporting Period**”) as follows:

As of 30 September 2021, the Company operated 94 Portfolio Shopping Malls, 273 Managed Shopping Malls, and 11 home furnishing malls through strategic cooperation. In addition, the Company authorized 66 franchised home improvement material projects by way of franchising, which includes a total of 478 home improvement material stores/industry streets.

I. CHANGES IN MALLS FOR THE FIRST THREE QUARTERS OF 2021

During the Reporting Period, the net increase in the number of Portfolio Shopping Malls of the Company was two, in which, one was newly-opened shopping mall, situated in Hangzhou, Zhejiang Province, and one was transferred from Managed Shopping Mall to Portfolio Shopping Mall, situated in Shenzhen, Guangdong Province; there was no net increase in the number of Managed Shopping Malls, in which, ten were newly-opened shopping malls, situated in Liaocheng, Shandong Province, Zhangjiakou, Hebei Province, Huainan, Anhui Province, Yuncheng, Shanxi Province, Tai'an, Shandong Province, Xi'an, Shaanxi Province, Handan, Hebei Province, Neijiang, Sichuan Province, Linyi, Shandong Province and Lu'an, Anhui Province, and nine shopping malls were closed, situated in Zhoushan, Zhejiang Province, Shaoxing, Zhejiang Province, Dalian, Liaoning Province, Suqian, Jiangsu Province, Ganzhou, Jiangxi Province, Foshan, Guangdong Province, Xingyi, Guizhou Province, Xinyu, Jiangxi Province and Fuzhou, Fujian Province.

(I) Changes in Malls During the Reporting Period

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

Unit: m²

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	226,856
Owned	Shanghai	7	905,389									7	905,583
Owned	Tianjin	4	457,240									4	459,218
Owned	Chongqing	4	317,145									4	330,858
Owned	Northeast China	10	1,030,696									10	1,098,116
Owned	North China (excluding Beijing and Tianjin)	3	223,479									3	224,306
Owned	East China (excluding Shanghai)	13	1,500,666	1	117,700							14	1,666,059
Owned	Central China	4	527,162									4	527,601
Owned	South China	2	116,204			1	67,037					3	182,023
Owned	West China (excluding Chongqing)	8	628,037									8	669,133
Total:		58	5,932,377	1	117,700	1	67,037					60	6,289,754

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: m²

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	247,780
JV/Associate	Central China	–	–									–	–
JV/Associate	South China	1	15,857									1	16,975
JV/Associate	West China (excluding Chongqing)	1	89,268									1	88,785
Total:		5	352,827									5	353,540

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: m²

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	121,607
Leased	Shanghai												
Leased	Tianjin												
Leased	Chongqing	2	132,752									2	132,669
Leased	Northeast China												
Leased	North China (excluding Beijing and Tianjin)	8	441,017									8	440,980
Leased	East China (excluding Shanghai)	11	544,912									11	543,753
Leased	Central China	5	409,680									5	415,965
Leased	South China	2	103,345			1	37,469			1	67,037	2	73,782
Leased	West China (excluding Chongqing)												
Total:		29	1,749,074			1	37,469			1	67,037	29	1,728,755

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: m²

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	112,865
Managed	Shanghai												
Managed	Tianjin	3	178,268									3	177,588
Managed	Chongqing	8	265,218									8	264,972
Managed	Northeast China	14	714,635					1	70,178			13	626,593
Managed	North China (excluding Beijing and Tianjin)	28	1,536,903	3	62,436							31	1,599,095
Managed	East China (excluding Shanghai)	119	6,486,497	5	131,925			6	355,273			118	6,284,779
Managed	Central China	40	1,852,924									40	1,805,998
Managed	South China	13	649,539					1	38,846	1	37,469	11	549,671
Managed	West China (excluding Chongqing)	47	2,224,522	2	99,159			1	37,647			48	2,293,004
Total:		273	14,021,390	10	293,520			9	501,944	1	37,469	273	13,714,565

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: m²

Name	Address	Operating Area	Opening Date	Way of Contracting	
Hangzhou Grand Mall	No. 888, Gudun Road, Xihu District, Hangzhou City, Zhejiang Province	117,700	1 July 2021	Self-building	
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 City, 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
Neijiang Chuanhua	Red Star Macalline, No. 2-47, Dongcheng Road, Dongxing District, Neijiang City, Sichuan Province	30,249	30 September 2021	Contracted management	10 years since the opening
Linyi Ao'ernuo	Intersection of Tongda Road and Qiyang Road, Lanshan District, Linyi City, Shandong Province	12,784	30 September 2021	Contracted management	Due on 1 January 2023
Jinzhai Jinyue	Intersection of Xuanjianshan Road and Tiantanghu Road, Jinzhai County, Lu'an City, Anhui Province	25,516	30 September 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 on 30 June 2024	Early termination of the contract	June 2021
Fuzhou Sandi	No. 173, Gongye Road, Taijiang District, Fuzhou City, Fujian Province	68,491.21	29 July 2011	Contracted management	Due on 28 July 2021	Expiration of the entrusted management contract	July 2021
Fenyi Wannian	Red Star Macalline, Kaiwu Avenue, Fenyi County, Xinyu City, Jiangxi Province	41,320.07	30 May 2015	Contracted management	10 years since the opening	Early termination of the contract	August 2021
Xingyi Wanhe	Building 4, Third Phase of the Renovation Project of Wanhe Dadi Shantytown, Ping Dong Group 1, Pingdong Office of Xingyi City, Qianxinan Prefecture, Guizhou Province	37,647.39	30 December 2018	Contracted management	10 years since the opening	Early termination of the contract	August 2021
Foshan Chancheng	No. 128, Jihua West Road, Chancheng District, Foshan City, Guangdong Province	38,845.94	31 December 2017	Contracted management	10 years since the opening	Early termination of the contract	August 2021
Ganzhou Nankang	Furniture Expo Center, Furniture Town, Jiaju Avenue Nankang District, Ganzhou City, Jiangxi Province	5,247.00	30 December 2018	Contracted management	Due on 30 December 2020	Expiration of the entrusted management contract	September 2021
Suqian Suyu	Jiangshan Avenue, Suyu District, Suqian City, Jiangsu Province (reaching Yanshan Road in the south and Tianshan Road in the north)	81,747.80	1 October 2010	Contracted management	Due on 30 September 2026	Early termination of the contract	July 2021

II. MALLS THAT ARE IN OPENING PREPARATION AS OF THE THIRD QUARTER OF 2021

As of 30 September 2021, the Company has 20 pipeline Portfolio Shopping Malls (of which 17 are Owned Portfolio Shopping Malls and 3 are Leased Portfolio Shopping Malls), and the planned construction area amounted to approximately 3.14 million sq.m. (subject to the final construction area as approved in the government permit documents). Among the pipeline Managed Shopping Malls, we have obtained land use rights/land parcels for 345 managed contractual projects.

III. REVENUE AND GROSS PROFIT MARGIN OF PORTFOLIO SHOPPING MALLS FOR THE FIRST THREE QUARTERS OF 2021

The Portfolio Shopping Malls opened by the Company recorded revenue of RMB6,245,260,205.17 during the Reporting Period, representing an increase of 24.9% as compared with the same period of last year; the gross profit margin was 77.0%, which was a decrease of 0.7 percentage point 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
Owned Portfolio Shopping Malls	5,118,753,888.70	25.5%	86.1%	an increase of 0.1 percentage point
Leased Portfolio Shopping Malls	908,225,095.17	25.1%	32.0%	a decrease of 4.1 percentage points
JV/Associate Portfolio Shopping Malls	218,281,221.30	10.5%	51.3%	a decrease of 7.4 percentage points
Total:	6,245,260,205.17	24.9%	77.0%	a decrease of 0.7 percentage point

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
Beijing	615,665,396.39	25.7%	76.0%	an increase of 2.0 percentage points
Shanghai	1,354,871,420.14	22.6%	90.5%	an increase of 0.8 percentage point
Tianjin	149,101,214.32	24.3%	74.1%	a decrease of 0.3 percentage point
Chongqing	420,075,669.59	27.2%	81.2%	an increase of 0.7 percentage point
Northeast China	585,927,874.90	22.8%	86.1%	an increase of 1.1 percentage points
East China (excluding Shanghai)	1,615,964,677.86	17.1%	72.7%	a decrease of 2.1 percentage points
North China (excluding Beijing and Tianjin)	266,966,026.50	29.6%	55.9%	an increase of 5.1 percentage points
South China	154,659,348.79	30.9%	57.3%	an increase of 6.2 percentage points
Central China	594,785,954.59	49.5%	61.3%	a decrease of 8.6 percentage points
West China (excluding Chongqing)	487,242,622.09	29.0%	78.6%	an increase of 0.2 percentage point
Total:	6,245,260,205.17	24.9%	77.0%	a decrease of 0.7 percentage point

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 unaudited and 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
29 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.