

*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)**

**(Listed Debt Securities Code: 5454)**

**RESULTS ANNOUNCEMENT FOR  
THE NINE MONTHS ENDED 30 SEPTEMBER 2024  
SUMMARY OF THE UNAUDITED KEY  
FINANCIAL INFORMATION**

The board of directors (the “**Board**”) of Red Star Macalline Group Corporation Ltd. (the “**Company**”) announced the summary of the unaudited key financial information of the Company and its subsidiaries (the “**Group**”) for the nine months ended 30 September 2024 (the “**Reporting Period**”). This announcement is made pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”), Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Listing Rules**”) and the Rules Governing the Listing of Stocks on Shanghai Stock Exchange.

**SUMMARY OF THE UNAUDITED KEY FINANCIAL INFORMATION**

In 2022, the Company issued credit enhanced bonds with a total principal amount of US\$249,700,000 at an interest of 5.20% per annum due in 2025 by way of debt issues to professional investors (as defined in Chapter 37 of the Hong Kong Listing Rules and the SFO). Please refer to the announcement published by the Company on the website of The Stock Exchange of Hong Kong Limited on 24 August 2022 for details.

Set out below is the unaudited key financial information of the Group during the Reporting Period:

**(i) Summary of the Unaudited Key Financial Information of the Group**

The table below sets forth the data of Consolidated Income Statement of the Group during the Reporting Period (losses are presented with parentheses):

	<b>For the nine months ended</b>	
	<b>30 September</b>	
	<b>(Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
	<b>(RMB)</b>	<b>(RMB)</b>
		<i>(Restated)<sup>Note</sup></i>
<b>I. Revenue</b>	<b>6,105,328,940.02</b>	8,675,386,414.22
Less: Cost of sales	<b>2,477,314,678.47</b>	3,661,186,471.13
Taxes and surcharges	<b>290,262,907.56</b>	308,591,098.52
Distribution and selling expenses	<b>754,283,033.84</b>	1,120,914,998.33
General and administrative expenses	<b>749,136,353.94</b>	1,051,877,168.88
Research and development expenses	<b>11,183,169.58</b>	13,771,845.42
Financial expenses	<b>1,829,078,193.38</b>	1,878,704,823.68
Including: Interest expenses	<b>1,899,050,909.17</b>	1,910,899,764.84
Interest income	<b>89,598,214.03</b>	124,654,518.65
Add: Other income	<b>38,874,745.63</b>	53,922,977.00
Investment income	<b>6,752,742.06</b>	91,028,122.25
Including: Investment income from associates and joint ventures (losses are presented with parentheses)	<b>(10,828,811.73)</b>	105,245,248.48
Gain from fair value changes (losses are presented with parentheses)	<b>(1,206,180,672.75)</b>	(416,534,070.77)
Impairment loss of credit (losses are presented with parentheses)	<b>(663,695,991.29)</b>	(329,749,669.89)
Impairment loss of assets (losses are presented with parentheses)	<b>(96,128,976.84)</b>	(411,365,767.72)
Gains from disposal of assets	<b>74,284,923.43</b>	6,448,431.22
<b>II. Operating profit (losses are presented with parentheses)</b>	<b>(1,852,022,626.51)</b>	(365,909,969.65)
Add: Non-operating income	<b>43,698,556.95</b>	23,860,051.49
Less: Non-operating expenses	<b>246,672,610.02</b>	189,125,081.95
<b>III. Total profit (losses are presented with parentheses)</b>	<b>(2,054,996,679.58)</b>	(531,175,000.11)
Less: Income tax (credit)/expenses	<b>(50,267,597.33)</b>	90,765,809.54

*Note:* Reference is made to the announcement of the Company dated 28 March 2024 in relation to Corrections to Consolidated Financial Statements (the “**Announcement**”), whereby the Company has restated the comparative information for the corresponding period because of the reasons set out in the Announcement.

	<b>For the nine months ended</b>	
	<b>30 September</b>	
	<b>(Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
	<b>(RMB)</b>	<b>(RMB)</b>
		<i>(Restated)<sup>Note</sup></i>
<b>IV. Net profit (losses are presented with parentheses)</b>	<b>(2,004,729,082.25)</b>	(621,940,809.65)
According to the classification of ownership		
Net profit attributable to owners of the Company (losses are presented with parentheses)	<b>(1,886,834,620.45)</b>	(546,600,030.11)
Non-controlling interests (losses are presented with parentheses)	<b>(117,894,461.80)</b>	(75,340,779.54)
	<hr/>	<hr/>
<b>V. Other comprehensive income (after tax) (losses are presented with parentheses)</b>	<b>(73,757,133.62)</b>	(147,712,966.69)
Other comprehensive income (after tax) attributable to owners of the Company (losses are presented with parentheses)	<b>(71,287,078.14)</b>	(148,802,944.16)
Other comprehensive income that will not be reclassified to profit or loss (losses are presented with parentheses)	<b>(70,808,762.47)</b>	(150,169,923.35)
Changes in fair value of other equity instrument investments (losses are presented with parentheses)	<b>(70,808,762.47)</b>	(150,169,923.35)
Other comprehensive income that will be reclassified to profit or loss (losses are presented with parentheses)	<b>(478,315.67)</b>	1,366,979.19
Converted difference in Foreign Currency Statements (losses are presented with parentheses)	<b>(478,315.67)</b>	1,366,979.19
Others	-	-
Other comprehensive income (after tax) attributable to non-controlling interests (losses are presented with parentheses)	<b>(2,470,055.48)</b>	1,089,977.47
	<hr/>	<hr/>
<b>VI. Total comprehensive income (losses are presented with parentheses)</b>	<b>(2,078,486,215.87)</b>	(769,653,776.34)
Total comprehensive income attributable to owners of the Company (losses are presented with parentheses)	<b>(1,958,121,698.59)</b>	(695,402,974.27)
Total comprehensive income attributable to non-controlling interests (losses are presented with parentheses)	<b>(120,364,517.28)</b>	(74,250,802.07)
	<hr/>	<hr/>
<b>VII. Earnings per share (losses are presented with parentheses):</b>		
(I) Basic earnings per share	<b>(0.43)</b>	(0.13)
(II) Diluted earnings per share	<b>N/A</b>	N/A
	<hr/> <hr/>	<hr/> <hr/>

During the Reporting Period, the net profit attributable to owners of the Company after deducting non-recurring profit or loss amounted to RMB-1,051,660,422.14 (losses are presented with “-”), representing a decrease of 199.10% (expanding losses) from RMB-351,609,621.07 (losses are presented with “-”), for the same period of 2023.

The main reasons are as follows:

**1. Operating Income**

The change is mainly due to the fluctuation of the overall economic environment, leading to a periodic decline in the occupancy rate of the shopping malls. In order to support the continued operation of the merchants, the Company has provided more preferential treatments to retain them, and there has been a reduction in the number of projects in other business segments of the Company and the process of such projects slowed down. These factors collectively led to a year-on-year decline in the Company's operating income.

**2. Financial Expenses**

The Company has suspended the capitalization of interest on some projects whose construction progress is below expectations.

**3. Loss on Fair Value Change of Investment Properties**

The change is mainly due to the fluctuation of the overall economic environment, which has led to a periodic decline in the occupancy rate of the shopping malls. The Company has provided more preferential treatments to support the continued operation of the merchants, and consequently, there has been a decrease in the fair value of the investment properties. The loss on the fair value change for this period is RMB1,206 million, an increase of RMB789 million compared to the same period last year. Among this, the loss due to the fluctuation in the fair value of investment properties accumulated to RMB1,121 million, an increase of RMB757 million compared to the same period last year.

The table below sets forth the key data of the Consolidated Statement of Cash Flows of the Group during the Reporting Period (outflow of net cash flow or decrease in cash or cash equivalents are presented with parentheses):

	<b>For the nine months ended</b>	
	<b>30 September</b>	
	<b>(Unaudited)</b>	
	<b>2024</b>	<b>2023</b>
	<b>(RMB)</b>	<b>(RMB)</b>
Net cash flow from operating activities	<b>(531,418,219.69)</b>	2,768,453,497.54
Net cash flow from investing activities	<b>144,476,478.82</b>	535,999,807.85
Net cash flow from financing activities	<b>1,460,260,367.78</b>	(2,794,817,455.40)
Impact of exchange rate changes on cash and cash equivalents	<b>(822,519.92)</b>	351,576.87
	<hr/>	<hr/>
Net increase in cash and cash equivalents	<b>1,072,496,106.99</b>	509,987,426.86
Opening balance of cash and cash equivalents	<b>2,506,800,211.29</b>	2,608,263,749.30
Closing balance of cash and cash equivalents	<b>3,579,296,318.28</b>	3,118,251,176.16
	<hr/> <hr/>	<hr/> <hr/>

The table below sets forth the data of the Consolidated Balance Sheet of the Group as at the end of the Reporting Period:

	<b>As at 30 September 2024 (Unaudited) (RMB)</b>	As at 31 December 2023 (Audited) (RMB)
<b>Current assets</b>		
Cash and bank balances	<b>4,133,287,098.39</b>	2,974,052,910.82
Financial assets held for trading	<b>142,263,601.65</b>	570,321,322.67
Notes receivable	<b>6,512,447.00</b>	6,176,444.26
Accounts receivable	<b>989,784,374.32</b>	1,203,320,049.65
Receivables financing	–	–
Prepayments	<b>271,325,845.18</b>	291,327,225.39
Other receivables	<b>939,642,087.28</b>	920,953,499.67
Inventories	<b>43,128,491.93</b>	159,513,922.13
Contract assets	<b>1,132,296,191.95</b>	1,386,742,949.82
Non-current assets due within one year	<b>1,013,034,888.22</b>	1,104,814,303.77
Other current assets	<b>1,523,831,966.63</b>	1,810,668,681.80
	<hr/>	<hr/>
<b>Total current assets</b>	<b>10,195,106,992.55</b>	10,427,891,309.98
	<hr/> <hr/>	<hr/> <hr/>

	As at 30 September 2024 <i>(Unaudited)</i> <i>(RMB)</i>	As at 31 December 2023 <i>(Audited)</i> <i>(RMB)</i>
<b>Non-current assets</b>		
Long-term receivables	333,955,967.37	341,387,807.89
Long-term equity investments	3,389,097,455.86	3,442,501,514.06
Other equity instrument investments	1,405,116,379.30	1,757,631,048.71
Other non-current financial assets	159,604,765.36	260,024,540.60
Investment properties	91,785,200,000.00	92,463,200,000.00
Fixed assets	2,668,449,815.63	2,743,965,864.30
Construction in progress	11,665,924.00	16,885,166.12
Right-of-use assets	1,857,525,871.30	2,804,800,595.33
Intangible assets	73,239,362.76	97,830,463.48
Development expenditure	–	–
Goodwill	97,597,047.85	97,597,047.85
Long-term prepaid expenses	198,452,614.75	345,496,861.44
Deferred tax assets	3,621,456,574.12	3,115,229,001.03
Other non-current assets	2,868,974,814.73	3,146,197,178.56
	<hr/>	<hr/>
<b>Total non-current assets</b>	<b>108,470,336,593.03</b>	<b>110,632,747,089.37</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Total assets</b>	<b>118,665,443,585.58</b>	<b>121,060,638,399.35</b>
	<hr/> <hr/>	<hr/> <hr/>

	As at 30 September 2024 <i>(Unaudited)</i> <i>(RMB)</i>	As at 31 December 2023 <i>(Audited)</i> <i>(RMB)</i>
<b>Current liabilities</b>		
Short-term loans	2,073,701,195.32	4,971,830,548.14
Notes payable	30,665,895.79	13,551,841.54
Accounts payable	1,417,868,756.70	2,054,926,260.68
Advance from customers	621,207,414.05	876,844,673.72
Contract liabilities	775,762,931.29	1,137,849,774.30
Payroll payable	363,865,657.74	455,238,475.67
Taxes payable	404,630,076.81	676,438,554.94
Other payables	16,322,115,420.22	9,010,492,452.69
Non-current liabilities due within one year	8,574,363,226.71	9,135,630,916.04
Other current liabilities	272,167,755.71	258,739,127.36
	<u>30,856,348,330.34</u>	<u>28,591,542,625.08</u>
<b>Total current liabilities</b>		
<b>Non-current liabilities</b>		
Long-term loans	16,318,610,835.43	19,247,656,542.00
Bonds payable	–	1,758,511,842.15
Lease liabilities	1,956,299,347.65	2,822,378,531.05
Long-term payables	487,759,440.39	510,347,775.02
Deferred income	162,092,909.44	210,045,711.53
Deferred tax liabilities	13,304,588,086.60	13,233,364,856.66
Other non-current liabilities	4,836,160,779.08	1,865,124,515.41
	<u>37,065,511,398.59</u>	<u>39,647,429,773.82</u>
<b>Total non-current liabilities</b>		
<b>Total liabilities</b>	<u>67,921,859,728.93</u>	<u>68,238,972,398.90</u>

	As at 30 September 2024 <i>(Unaudited)</i> <i>(RMB)</i>	As at 31 December 2023 <i>(Audited)</i> <i>(RMB)</i>
<b>Equity</b>		
Share capital	4,354,732,673.00	4,354,732,673.00
Capital reserve	7,255,776,875.55	7,255,302,699.22
Less: Treasury stock	5,003,481.44	5,003,481.44
Other comprehensive income	454,129,361.18	624,273,397.24
Surplus reserve	2,293,732,034.41	2,293,732,034.41
Retained earnings	33,304,279,292.96	35,092,256,955.49
<b>Total equity attributable to owners of the Company</b>	<b>47,657,646,755.66</b>	49,615,294,277.92
Non-controlling interests	3,085,937,100.99	3,206,371,722.53
<b>Total equity</b>	<b>50,743,583,856.65</b>	52,821,666,000.45
<b>Total liabilities and equity</b>	<b>118,665,443,585.58</b>	121,060,638,399.35

As of the end of the Reporting Period, the balance of the total borrowings of the Group amounted to RMB30,265,193,170.37.

The aforesaid unaudited key financial information of the Group during the Reporting Period was prepared in accordance with the relevant management accounts and the Generally Accepted Accounting Principles in the People's Republic of China (the "PRC") and has not been reviewed or audited by the auditors of the Company.

Shareholders of the Company and potential investors are advised by the Board that, the data above is based on the internal records and the relevant management accounts of the Group as of the end of the Reporting Period. Therefore, the data above is for reference only. When dealing in the shares of the Company, shareholders of the Company and potential investors are advised to exercise caution.

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 October 2024

*As at the date of this announcement, the executive Directors of the Company are CHE Jianxing, SHI Yaofeng, LI Jianhong and YANG Yingwu; the non-executive Directors are ZHENG Yongda, WANG Wenhui, ZOU Shaorong, SONG Guangbin and XU Di; and the independent non-executive Directors are XUE Wei, HUANG Jianzhong, CHEN Shanang, WONG Chi Wai and CAI Qinghui.*