THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt about any of the contents of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your Shares in **Red Star Macalline Group Corporation Ltd.**, you should at once hand this circular together with the proxy form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AMENDMENTS TO THE PROCEDURE RULES FOR THE BOARD
CHANGE OF CERTAIN UNDERTAKINGS AND PERFORMANCE OBLIGATIONS FOR SPECIFIC MATTERS BY THE SECOND LARGEST SHAREHOLDER OF THE COMPANY
ELECTION AND RE-ELECTION OF NON-INDEPENDENT DIRECTORS OF THE SIXTH SESSION OF THE BOARD
ELECTION AND RE-ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE SIXTH SESSION OF THE BOARD
AND
NOTICE OF THE 2026 THIRD EXTRAORDINARY GENERAL MEETING

A letter from the Board is set out on pages 4 to 22 of this circular. An EGM of the Company will be held at 2:00 p.m. on Friday, 4 December 2026 at Conference Center, 3/F, South Building, Block B, Macalline Global Center, Lane 1466, Shenchang Road, Minhang District, Shanghai, the PRC. A notice of the EGM, together with this circular, will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chinaredstar.com).

Shareholders who intend to appoint a proxy to attend the EGM shall complete and return the proxy form in accordance with the instructions printed thereon. The proxy form must be signed by you or your attorney duly authorized in writing or, in case of a legal person, must either be executed under its seal or under the hand of its director or other attorney duly authorized to sign the same. If the proxy form is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign, or other documents of authorization, must be notarized.

In the case of joint holders of Shares, only the holder whose name stands first in the register of members of the Company shall alone be entitled to vote at the EGM, either in person or by proxy in respect of such Shares.

For H Share Shareholders, please return the proxy form together with any documents of authority to Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible, and in any event not later than 24 hours before the time appointed for holding the EGM. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

16 November 2026

CONTENTS

Page

DEFINITIONS 1

LETTER FROM THE BOARD 4

I. INTRODUCTION 5

II. AMENDMENTS TO THE ARTICLES OF ASSOCIATION 5

III. AMENDMENTS TO THE PROCEDURE RULES FOR THE BOARD 6

IV. CHANGE OF CERTAIN UNDERTAKINGS AND PERFORMANCE OBLIGATIONS FOR SPECIFIC MATTERS BY THE SECOND LARGEST SHAREHOLDER OF THE COMPANY 7

V. ELECTION AND RE-ELECTION OF NON-INDEPENDENT DIRECTORS OF THE SIXTH SESSION OF THE BOARD 15

VI. ELECTION AND RE-ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE SIXTH SESSION OF THE BOARD 18

VII. THE 2026 THIRD EXTRAORDINARY GENERAL MEETING 21

VIII. RECOMMENDATION 22

IX. RESPONSIBILITY STATEMENT 22

APPENDIX I – EXPLANATION ON THE CUMULATIVE VOTING SYSTEM FOR THE ELECTION OF NON-INDEPENDENT DIRECTORS AND INDEPENDENT NON-EXECUTIVE DIRECTORS 23

NOTICE OF THE 2026 THIRD EXTRAORDINARY GENERAL MEETING 25

In this circular, unless the context otherwise requires, the following terms shall have the following meanings:

"A Share(s)"	the ordinary share(s) issued by the Company, with a nominal value of RMB1.0 each, listed on the Shanghai Stock Exchange and traded in RMB
"A Share Shareholder(s)"	the holder(s) of A Share(s)
"Articles of Association"	the Articles of Association of Red Star Macalline Group Corporation Ltd., as amended, supplemented or otherwise modified from time to time
"Board"	the board of directors of the Company
"C&D Inc."	Xiamen C&D Inc.* (廈門建發股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 600153), and a substantial shareholder of the Company, which, together with its subsidiaries, held approximately 29.96% of the equity interest in the Company as at the Latest Practicable Date
"Company"	Red Star Macalline Group Corporation Ltd., a sino-foreign joint stock company incorporated in the PRC with limited liability, whose H Shares are listed and traded on the Main Board of the Stock Exchange (stock code: 1528) and A Shares are listed and traded on the SSE (stock code: 601828)
"Company Law"	the Company Law of the People's Republic of China, as amended, supplemented or otherwise modified from time to time
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"CSRC"	China Securities Regulatory Commission
"Director(s)"	the director(s) of the Company
"EGM"	the 2026 third extraordinary general meeting to be convened and held on Friday, 4 December 2026
"Group"	the Company and its subsidiaries

"H Share(s)"	the overseas listed foreign ordinary share(s) with a nominal value of RMB1.0 each in the share capital of the Company, listed on the Stock Exchange and traded in Hong Kong dollars
"H Share Shareholder(s)"	the holder(s) of H Share(s)
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Latest Practicable Date"	13 November 2026, being the latest practicable date for the purpose of ascertaining certain information contained herein
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"PRC" or "China"	the People's Republic of China, but for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
"Procedure Rules for the Board"	the Procedure Rules for the Board of Red Star Macalline Group Corporation Ltd., as amended, supplemented or otherwise modified from time to time
"RMB"	Renminbi, the lawful currency of the PRC
"RSM Holding"	Red Star Macalline Holding Group Company Limited* (紅星美凱龍控股集團有限公司) (formerly known as Shanghai Red Star Macalline Investment Company Limited), a limited liability company incorporated in the PRC, a substantial shareholder of the Company, which held approximately 18.95% of the equity interest in the Company as at the Latest Practicable Date
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai Stock Exchange" or "SSE"	the Shanghai Stock Exchange
"Share(s)"	A Share(s) and H Share(s)
"Shareholder(s)"	A Share Shareholder(s) and H Share Shareholder(s)

"SSE Listing Rules"	the Rules Governing the Listing of Stocks on the Shanghai Stock Exchange, as amended, supplemented or otherwise modified from time to time
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"substantial shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

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)

Executive Directors:
Mr. LI Yupeng *(Chairman)*
Mr. SHI Yaofeng
Mr. YANG Yingwu

Non-executive Directors:
Ms. YE Yanliu
Mr. ZOU Shaorong
Mr. CHE Jianxing
Mr. XU Guofeng

Independent non-executive Directors:
Mr. XUE Wei
Mr. HUANG Jianzhong
Mr. CHEN Shanang
Mr. WONG Chi Wai
Mr. CAI Qinghui

Employee Director:
Mr. ZHENG Jianjie

Registered office in the PRC:
Suite F801, 6/F
No. 518, Linyu Road
Pudong New District
Shanghai
PRC

Principal place of business in Hong Kong:
31/F, Tower 2
Times Square
1 Matheson Street
Causeway Bay
Hong Kong

16 November 2026

To the Shareholders,

Dear Sir or Madam,

AMENDMENTS TO THE ARTICLES OF ASSOCIATION
AMENDMENTS TO THE PROCEDURE RULES FOR THE BOARD
CHANGE OF CERTAIN UNDERTAKINGS AND PERFORMANCE OBLIGATIONS FOR SPECIFIC MATTERS BY THE SECOND LARGEST SHAREHOLDER OF THE COMPANY
ELECTION AND RE-ELECTION OF NON-INDEPENDENT DIRECTORS OF THE SIXTH SESSION OF THE BOARD
ELECTION AND RE-ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE SIXTH SESSION OF THE BOARD
AND
NOTICE OF THE 2026 THIRD EXTRAORDINARY GENERAL MEETING

I. INTRODUCTION

The purpose of this circular is to provide you with the notice of the EGM and the information on certain resolutions to be proposed for consideration at the EGM, in order to enable you to make informed decisions on whether to vote for or against or abstain from voting on such resolutions at the EGM.

Ordinary resolutions to be proposed at the EGM for the Shareholders to consider and approve include: (3) the resolution on the change of certain undertakings and performance obligations for specific matters by the second largest Shareholder of the Company; (4) the election and re-election of non-independent Directors of the sixth session of the Board; and (5) the election and re-election of independent non-executive Directors of the sixth session of the Board. These resolutions are subject to the approval of the Shareholders at the EGM by way of ordinary resolutions. The aforesaid resolutions in items (4) and (5) regarding the election and re-election of Directors of the sixth session of the Board will be proposed to the Shareholders at the EGM for consideration and voting by way of cumulative voting.

Special resolutions to be proposed at the EGM for the Shareholders to consider and approve include: (1) the resolution on the amendments to the Articles of Association; and (2) the resolution on the amendments to the Procedure Rules for the Board. These resolutions are subject to the approval of the Shareholders at the EGM by way of special resolutions.

II. AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated 13 November 2026, in relation to, among other things, the proposed amendments to the Articles of Association.

In order to enhance the operational efficiency of the Board and in light of the Company's actual circumstances, the Board proposes the following amendments to the Articles of Association:

Existing Provision of the Articles of Association	Amended Provision of the Articles of Association
Article 127 The Company sets a Board, which comprises 15 directors, including one employee representative director, one chairman and five independent non-executive directors.	**Article 127** The Company sets a Board, which comprises ~~15~~**9** directors, including one employee representative director, **and three independent non-executive directors. The Board has** one chairman~~ and five independent non-executive directors~~.
Independent non-executive directors may directly report to the general meeting, CSRC and other relevant regulatory authorities.	Independent non-executive directors may directly report to the general meeting, CSRC and other relevant regulatory authorities.

In addition to the amendments to the above article, the Company has made optimizations, adjustments, and modifications to the wording and punctuation of the Articles of Association, which do not constitute substantive amendments and are therefore not listed individually. Save for the amendments to the above article, the other provisions of the Articles of Association remain unchanged.

The proposed amendments to the Articles of Association are conditional upon the approval of the Shareholders at the EGM. Furthermore, authorization is sought from the EGM for the Board, and the Board may further authorize the management of the Company to handle the procedures for change registration/filing with the relevant competent authorities in relation to the amendments to the Articles of Association. The amendments to the Articles of Association are subject to the final approval by, and filing with, the market supervision and administration authorities.

The above resolution has been considered and approved by the Board and is hereby proposed at the EGM for Shareholders' consideration and approval.

III. AMENDMENTS TO THE PROCEDURE RULES FOR THE BOARD

In order to further optimize its internal management system, the Board proposes to amend the relevant contents of the Procedure Rules for the Board in accordance with the laws and regulations in China. The specific amendments are as follows:

Before amendment:	After amendment:
Article 3 The Board comprises 15 directors, including one chairman, five independent non-executive directors and one employee representative director. Independent non-executive directors must make up at least one-third of the Board and must consist of at least three members.	**Article 3** The Board comprises ~~15~~**9** directors, including one chairman, ~~five~~**three** independent non-executive directors and one employee representative director. Independent non-executive directors must make up at least one-third of the Board and must consist of at least three members.

Save for the amendments to the above provision, other provisions of the Procedure Rules for the Board remain unchanged. The proposed amendments to the Procedure Rules for the Board are conditional upon the approval of the Shareholders at the EGM.

The above resolution has been considered and approved by the Board and is hereby proposed at the EGM for Shareholders' consideration and approval.

IV. CHANGE OF CERTAIN UNDERTAKINGS AND PERFORMANCE OBLIGATIONS FOR SPECIFIC MATTERS BY THE SECOND LARGEST SHAREHOLDER OF THE COMPANY

Reference is made to the announcement of the Company dated 13 November 2026 (the "**Announcement**").

The Board announces that the Company has received a communication letter (the "**Change and Waiver Application**") submitted by RSM Holding, requesting a change and waiver of certain undertakings previously made by RSM Holding in its then capacity as the controlling shareholder of the Company.

On 13 November 2026, the Board considered and approved the Resolution on the Change of Certain Undertakings and Performance Obligations for Specific Matters by the Second Largest Shareholder of the Company, approving the change and waiver of certain undertakings previously made by RSM Holding, the second largest shareholder of the Company, and the waiver of its performance obligations for corresponding specific matters under the Commitment Letter on the Resolution of Non-Competition (the "**Proposed Change and Waiver**"). Mr. CHE Jianxing ("**Mr. CHE**") and Mr. XU Guofeng ("**Mr. XU**"), the interested Directors, abstained from voting. The above matters have been reviewed and approved at a special meeting of the independent Directors of the Company. The above resolution is hereby proposed at the EGM for Shareholders' consideration and approval, and interested Shareholders are required to abstain from voting on such resolution.

I. Summary of Previous Undertakings and the Proposed Change and Waiver

1. Performance Obligations for Corresponding Specific Matters under the Commitment Letter on the Resolution of Non-Competition

Reference is made to the Commitment Letter on the Resolution of Non-Competition issued by RSM Holding to the Company on 11 April 2016 in relation to the listing of the Company's A Shares on the Shanghai Stock Exchange in 2018, pursuant to which RSM Holding made certain non-competition undertakings to the Company (the "**Non-competition Undertaking**").

(a) Content of the Original Undertaking

Pursuant to the Non-competition Undertaking, RSM Holding undertook that:

(1) As at the date of signing the Non-competition Undertaking, neither RSM Holding nor its subsidiaries and associates in which it has an equity interest (excluding the Company and its controlling subsidiaries, the same below) were directly or indirectly engaged in the operation, management and service

business of home furnishing malls or other businesses that are the same as or similar to the main business and other businesses of the Company;

(2) From the date of signing the Non-competition Undertaking, neither RSM Holding nor its subsidiaries and associates in which it has an equity interest will directly or indirectly engage in any competing business, nor will they build or lease new properties for the operation of home furnishing malls, or engage in any competing business or business that may constitute competition in any way, directly or indirectly;

(3) From the date of signing the Non-competition Undertaking, if RSM Holding or its subsidiaries and associates in which it has an equity interest should encounter or have access to any investment opportunities or other business opportunities related to the competing business in the future, RSM Holding and its subsidiaries and associates in which it has an equity interest will grant such investment opportunities or other business opportunities to the Company on the same terms;

(4) From the date of signing the Non-competition Undertaking, if the Company and its controlling subsidiaries further expand their business scope, RSM Holding and its subsidiaries and associates in which it has an equity interest will not compete with the expanded business of the Company and its controlling subsidiaries; if they do compete, RSM Holding and its subsidiaries and associates in which it has an equity interest will cease the competing business, incorporate the competing business into the Company and its controlling subsidiaries, or transfer the competing business to unrelated third parties, in each case in a reasonable and feasible manner to avoid horizontal competition; and

(5) If the Non-competition Undertaking is proven to be untrue or not complied with, RSM Holding shall compensate the Company and its controlling subsidiaries for all direct and indirect losses.

(b) Performance Obligations for Specific Matters Proposed to be Waived

To regulate the handling of the specific circumstances below, in accordance with the relevant provisions and requirements of laws and regulations such as the SSE Listing Rules and the Regulatory Guideline for Listed Companies No. 4 — Undertakings by Listed Companies and Their Related Parties (《上市公司監管指引第4號－上市公司及其相關方承諾》), details of the proposed waiver of RSM Holding's performance obligations for

corresponding specific matters (the "**Specific Matters**") under the Non-competition Undertaking are as follows:

In November 2024, Chengdu Red Star Macalline Tianfu Expo Home Furnishing Plaza Company Limited (成都紅星美凱龍天府世博家居廣場有限公司), a wholly-owned subsidiary of the Company, entered into an entrusted operation and management contract with Xiamen C&D Commercial Management Company Limited (廈門建發商業管理有限公司, "**C&D Commercial Management**"), entrusting C&D Commercial Management to provide grand-opening preparation services, tenant sourcing service and operational services, and post-opening operation and management services for MKL Life Aesthetics Center ("**Chengdu Aesthetics Center**"), a commercial shopping center project. The Company remains the asset holder of Chengdu Aesthetics Center.

Pursuant to the Restructuring Plan (as defined below) approved by the Pudong New Area People's Court of Shanghai (the "**Shanghai Pudong Court**" or "**court**"), 72.92% of the shares of Shanghai Aegean Sea Commercial Group Co., Ltd. (上海愛琴海商業集團股份有限公司) ("**Aegean Sea Commercial**") were transferred to RSM Holding in August 2025, and the restructured RSM Holding became its controlling shareholder. Aegean Sea Commercial is a specialized asset management and operation platform under RSM Holding. Its core business is the full-process operation and asset management of commercial real estate, primarily providing asset owners with customized asset solutions such as positioning, tenant sourcing, operation, renovation and marketing. As the principal business of Aegean Sea Commercial is commercial complex management services, the aforesaid shareholding adjustment resulted in RSM Holding having business similar to that of Chengdu Aesthetics Center held by the Company in terms of commercial complex management business.

2. Letter of Undertaking on Share Sale Restrictions

(a) Content of the Original Undertaking

RSM Holding undertakes that:

(1) After the resolution on waiving and changing the undertaking on RSM Holding's shareholding and reduction intentions is approved at the Company's general meeting, the cumulative number of the Company's shares disposed of by RSM Holding directly and indirectly through centralized bidding transactions in the secondary market each year shall not exceed 10% of the total number of the Company's shares held directly and indirectly by it at the end of the previous year;

(2) For any reduction two years after the expiry of the committed lock-up period, the reduction price shall be determined based on the market price at the time of reduction, subject to the fulfillment of all undertakings made by RSM Holding;

(3) In the event that RSM Holding reduces its shareholding in the Company, RSM Holding will make an announcement through the

Company three trading days in advance, and no reduction of shareholding shall be made before the announcement procedures have been fulfilled. If RSM Holding violates this undertaking to reduce its shareholding, the proceeds from the reduction of the Company's shares by RSM Holding shall belong to the Company.

(b) Proposed Change

RSM Holding has applied to change this undertaking, and the changed undertaking is as follows:

(1) After the resolution on waiving and changing the undertaking on RSM Holding's shareholding and reduction intentions is approved at the Company's general meeting, the cumulative number of the Company's shares disposed of by RSM Holding directly and indirectly through centralized bidding transactions in the secondary market each year shall not exceed 10% of the total number of the Company's shares held directly and indirectly by it at the end of the previous year;

(2) For any reduction two years after the expiry of the committed lock-up period, the reduction price shall be determined based on the market price at the time of reduction, subject to the fulfillment of all undertakings made by RSM Holding;

(3) In the event that RSM Holding reduces its shareholding in the Company, RSM Holding will make an announcement through the Company three trading days in advance, and no reduction of shareholding shall be made before the announcement procedures have been fulfilled;

(4) Where RSM Holding disposes of shares for the purpose of implementing the Restructuring Plan, it shall not be bound by items (1) to (3), and the price, quantity, timing and transferee(s) of such disposal shall be subject to the Restructuring Plan and relevant documents of the People's Court;

(5) Save for the disposal under restructuring set out in item (4), RSM Holding will not reduce its shareholding in the Company without authorization by any other means; subsequently, if RSM Holding intends to reduce its shareholding in the remaining shares by means such as centralized bidding transactions in the secondary market or block trades, it shall comply with the laws and regulations then in effect as well as the requirements of the CSRC and the Shanghai Stock Exchange, and fulfill the corresponding information disclosure obligations. If RSM Holding reduces its shareholding in breach of this undertaking, the proceeds from the reduction of the Company's shares by RSM Holding shall belong to the Company.

3. Undertaking on Remedial Measures for Diluted Immediate Returns I

(a) Content of the Original Undertaking

RSM Holding undertakes that:

(1) It will not overstep its authority to interfere in the Company's operation and management activities, will not encroach on the Company's interests, and will earnestly implement relevant measures regarding remedial returns for the Company;

(2) As one of the responsible parties for the remedial measures, if RSM Holding violates or refuses to perform the above undertakings, RSM Holding agrees to accept relevant penalties or management measures imposed by securities regulatory authorities such as the CSRC and the Shanghai Stock Exchange in accordance with their relevant regulations and rules.

(b) Proposed Waiver

RSM Holding has applied for a full waiver of this undertaking. This undertaking was made by it as the then controlling shareholder of the Company. The Company underwent a change of control on 21 June 2023, and RSM Holding ceased to be the controlling shareholder of the Company. For the above reason, it is proposed that this undertaking be fully waived.

4. Undertaking on Remedial Measures for Diluted Immediate Returns II

(a) Content of the Original Undertaking

RSM Holding undertakes that:

(1) It will not overstep its authority to interfere in the Company's operation and management activities and will not encroach on the Company's interests;

(2) It will faithfully implement the relevant measures formulated by the Company to remedy returns and any undertakings made in this regard, and if such undertakings are violated and cause losses to the Company or investors, it is willing to bear the compensation liability to the Company or investors in accordance with the law;

(3) From the date of this undertaking until the completion of the non-public offering of A Shares of the Company in 2020, if the CSRC issues other new regulatory provisions on remedial measures and their undertakings, and the above undertakings cannot meet such provisions, RSM Holding undertakes to issue

supplementary undertakings in accordance with the latest provisions of the CSRC; and

(4) If the undertaking party (i.e., RSM Holding) violates or refuses to perform the above undertakings, RSM Holding agrees to be subject to relevant penalties or management measures imposed by securities regulatory authorities such as the CSRC and the Shanghai Stock Exchange in accordance with their relevant regulations.

(b) Proposed Waiver

RSM Holding has applied for a full waiver of this undertaking. This undertaking was made by the then controlling shareholder of the Company. The Company underwent a change of control on 21 June 2023, and RSM Holding ceased to be the controlling shareholder of the Company. For the above reason, it is proposed that this undertaking be fully waived. Subsequently, during the period when RSM Holding remains a shareholder of the Company, it will not overstep its authority to interfere in the Company's operation and management activities and will not encroach on the Company's interests.

II. Performance of the Undertakings

As of the Latest Practicable Date, RSM Holding has strictly complied with the above undertakings and there has not been any breach of the undertakings. The resolution in relation to the Proposed Change and Waiver is subject to the EGM for review and consideration.

III. Reasons for and Basis of the Proposed Change and Waiver

As the Company underwent a change in control on 21 June 2023, RSM Holding is no longer the controlling shareholder of the Company. On 17 January 2023, RSM Holding, Mr. CHE, and C&D Inc. jointly signed the "Share Transfer Agreement between Xiamen C&D Inc., Red Star Macalline Holding Group Company Limited and CHE Jianxing regarding Red Star Macalline Group Corporation Ltd." which is subject to conditions precedent, pursuant to which RSM Holding agreed to transfer its 1,304,242,436 A Shares of the Company (representing 29.95% of the Company's total share capital at that time) to C&D Inc. at a price of RMB4.82 per share.

On 26 April 2023, RSM Holding, Mr. CHE, C&D Inc., and Lianfa Group Co., Ltd. (聯發集團有限公司) ("**Lianfa Group**") jointly signed the "Supplementary Agreement to the <Share Transfer Agreement>", pursuant to which the transferee of the target shares was changed from C&D Inc. to C&D Inc. and Lianfa Group: among which, C&D Inc. would acquire 1,042,958,475 A Shares of the Company, representing 23.95% of the Company's total share capital at that time, and Lianfa Group would acquire 261,283,961 A Shares of the Company, representing 6.00% of the Company's total share capital at that time.

On 21 June 2023, RSM Holding had transferred 1,042,958,475 A Shares of the Company held by it to C&D Inc., and had transferred 261,283,961 A Shares of the Company held by it to Lianfa Group. The share transfer registration procedures for this transfer by agreement have been completed. Upon completion of the share transfer registration for this transfer by agreement, C&D Inc. and its controlling subsidiary Lianfa Group held a total of 1,304,242,436 A Shares of the Company, representing 29.95% of the Company's total share capital at that time, becoming the Company's largest shareholder; RSM Holding and parties acting concert with it held a total of 1,084,226,307 A Shares of the Company, representing 24.90% of the Company's total share capital at that time, becoming the Company's second largest shareholder. Pursuant to the provisions of the Administrative Measures for the Takeover of Listed Companies, the SSE Listing Rules and other regulations, this transaction resulted in the change of the Company's controlling shareholder to C&D Inc., and the change of the Company's de facto controller to the State-owned Assets Supervision and Administration Commission of Xiamen Municipal People's Government.

On 7 June 2024, RSM Holding filed a bankruptcy application with the Shanghai Pudong Court due to its own debt repayment difficulties. On 1 July 2024, the Shanghai Pudong Court ruled to accept the reorganization of RSM Holding.

On 6 June 2025, the Shanghai Pudong Court ruled to approve the Restructuring Plan of RSM Holding (the "**Restructuring Plan**"), and terminated the reorganization procedure of RSM Holding. According to the Restructuring Plan, 155,493,495 shares of the Company held by RSM Holding (representing 3.57% of the Company's total share capital at that time) will be distributed to the ordinary creditors directly in the form of debt settlement. Upon completion of the distribution, the number of shares of the Company held by RSM Holding decreased from 980,325,353 Shares to 824,831,858 Shares, and its shareholding percentage in the Company's total share capital then in issue decreased from 22.51% to 18.94%. The total number of shares of the Company held by RSM Holding and its parties acting in concert decreased from 1,023,955,993 Shares to 868,462,498 Shares, and its shareholding percentage in the Company's total share capital then in issue decreased from 23.51% to 19.94%.

Considering that RSM Holding is no longer the controlling shareholder of the Company, and in accordance with the Restructuring Plan approved by the ruling of the Shanghai Pudong Court on 6 June 2025, certain undertakings previously made by RSM Holding in its then capacity as the Company's controlling shareholder, such as share sale restrictions, may impose restrictions on its asset disposal and thereby preventing the implementation of the Restructuring Plan.

The principal business of Aegean Sea Commercial is commercial complex management services. Due to the implementation of the Restructuring Plan, RSM Holding became the controlling shareholder of Aegean Sea Commercial, which resulted in RSM Holding having business similar to that of Chengdu Aesthetics Center held by the Company in terms of commercial complex management business. Such specific circumstance arose from RSM Holding's passive acquisition of the equity interest in Aegean Sea Commercial as a result of implementing the Restructuring Plan approved by the court, which constitutes an objective cause beyond the control of the covenantor rather than a subjective failure by the covenantor to fulfill its undertaking. In addition, the Non-competition Undertaking was

made by RSM Holding as the then controlling shareholder of the Company. As RSM Holding is no longer the controlling shareholder of the Company, the Specific Matters do not fall within the statutory circumstances where a controlling shareholder/de facto controller and its affiliated enterprises are required to avoid horizontal competition. Therefore, there has not been any breach of the Non-competition Undertaking by RSM Holding.

For the reasons above and in accordance with the relevant provisions and requirements of the Regulatory Guideline for Listed Companies No. 4 – Undertakings by Listed Companies and Their Related Parties issued by the CSRC, the Company proposes to change and waive certain undertakings previously made by RSM Holding in relation to share sale restrictions and other matters as well as the performance obligations for Specific Matters.

IV. Impact of the Proposed Change and Waiver on the Company

The Proposed Change and Waiver will not have a material impact on the Company's corporate governance structure and daily business operations, will not adversely affect the Company's sustainable development, will not result in a change in the Company's control, and will not jeopardize the legitimate interests of the Company and all its Shareholders. It is in compliance with the relevant provisions of the Company Law, the Securities Law of the People's Republic of China, the SSE Listing Rules, the Regulatory Guideline for Listed Companies No. 4 – Undertakings by Listed Companies and Their Related Parties and other relevant laws and regulations, and is in line with the long-term development interests of the Company.

V. Opinions of the Independent Non-executive Directors

The Company convened the special meeting of independent Directors of the Company on 13 November 2026, at which all independent non-executive Directors unanimously considered and approved the Resolution on the Change of Certain Undertakings and Performance Obligations for Specific Matters by the Second Largest Shareholder of the Company, and agreed to submit the resolution to the Board for consideration. Regarding the Proposed Change and Waiver, the independent non-executive Directors are of the view that the Proposed Change and Waiver complies with the relevant provisions of laws and regulations such as the Company Law, the SSE Listing Rules, the Regulatory Guideline for Listed Companies No. 4 – Undertakings by Listed Companies and Their Related Parties and the Articles of Association, and will not jeopardize the interests of the Company and all its Shareholders. Therefore, all of the independent non-executive Directors have agreed to the Proposed Change and Waiver.

VI. Opinion of the Board

The Board is of the view that the Proposed Change and Waiver will not jeopardize the legitimate rights and interests of the Company and medium and minority investors nor adversely affect the development of the Company. When the Board considered the resolution, the interested Directors (including Mr. CHE and Mr. XU) abstained from voting

on the relevant resolution. The review and decision-making procedures in respect of the Proposed Change and Waiver complied with the relevant provisions of laws and regulations such as the Company Law, the SSE Listing Rules and the Articles of Association. All non-interested Directors of the Company have agreed to the Proposed Change and Waiver and to submit the resolution to the EGM for consideration.

V. ELECTION AND RE-ELECTION OF NON-INDEPENDENT DIRECTORS OF THE SIXTH SESSION OF THE BOARD

According to the relevant provisions of the Articles of Association, the non-employee representative Directors are elected at the general meeting for a term of three years. Upon expiry of the term of office, a Director is eligible for re-election. The term of the fifth session of the Board expired on 14 August 2026, and all members of the fifth session of the Board will continue to discharge their duties and responsibilities as Directors until the completion of the election for a new session of the Board.

The Board resolved and approved the re-election of Mr. LI Yupeng ("**Mr. LI**") as an executive Director of the sixth session of the Board on 13 November 2026. The term of office of Mr. LI shall commence from the date of consideration and approval of the relevant resolution at the EGM until the expiration of the sixth session of the Board.

The biographical details of Mr. LI are set out below:

Mr. LI, aged 37, Chinese, a member of the Communist Party of China, intermediate economist, graduated from Xiamen University (廈門大學) with a bachelor's degree. Mr. LI joined the Company in February 2025 and served as a non-executive Director from February 2025 to March 2025, and he was re-designated as an executive Director and appointed as the chairman of the Company since March 2025. Prior to joining the Company, Mr. LI worked at Xiamen C&D Group Co., Ltd. (廈門建發集團有限公司) from July 2010 to March 2025, where he successively served as the deputy general manager, the general manager and legal director of legal affairs department, and has served as a supervisor of C&D Inc. from April 2022 to May 2025.

Mr. LI will enter into an executive Director's engagement contract with the Company upon approval of his appointment by the Shareholders at the EGM, for a term commencing from the date of consideration and approval of the relevant resolution at the EGM until the expiration of the sixth session of the Board. According to the Articles of Association, Mr. LI will be eligible for re-election after the expiration of his term of office. Mr. LI will not receive any remuneration as executive Director during his tenure.

The Board resolved and approved the election and re-election of Mr. CHENG Dongfang ("**Mr. CHENG**"), Mr. ZOU Shaorong ("**Mr. ZOU**"), Ms. CHE Jianfang ("**Ms. CHE**") and Mr. JIANG Xiaozhong ("**Mr. JIANG**") as non-executive Directors of the sixth session of the Board on 13 November 2026. The term of office of Mr. CHENG, Mr. ZOU, Ms. CHE and Mr. JIANG shall commence from the date of consideration and approval of the relevant resolutions at the EGM until the expiration of the sixth session of the Board.

The biographical details of Mr. CHENG are set out below:

Mr. CHENG, aged 47. From July 2000 to April 2026, Mr. CHENG successively served as the business manager and general manager assistant of Xiamen C&D Packaging Co., Ltd. (廈門建發包裝有限公司), the deputy general manager and general manager of Xiamen C&D Paper & Pulp Group Co., Ltd. (廈門建發漿紙集團有限公司), and the general manager assistant, deputy general manager and general manager of C&D Inc.; and has served as a director of C&D Inc. since May 2025. Mr. CHENG has also served as a non-executive director and the chairman of the board of C&D Newin Paper & Pulp Corporation Limited (建發新勝漿紙有限公司, a company listed on the Stock Exchange under the stock code 0731) from January 2022 to September 2023; has served as a director of Shanghai C&D INNOSTIC Medical Technology Group Co., Ltd. (上海建發致新醫療科技集團股份有限公司, a company listed on the Shenzhen Stock Exchange under the stock code 301584) since March 2026; and has served as a non-executive director of C&D International Investment Group Limited (建發國際投資集團有限公司, a company listed on the Stock Exchange under the stock code 1908) since April 2026. Mr. CHENG served as a deputy general manager of Xiamen C&D Group Co., Ltd. (廈門建發集團有限公司) from August 2024 to April 2026, and has served as its general manager and director since April 2026.

Mr. CHENG graduated from Nanjing University of Science and Technology (南京理工大學) with a major in industrial foreign trade, and is an assistant economist.

The biographical details of Mr. ZOU are set out below:

Mr. ZOU, aged 49, joined the Company in February 2023 and served as a non-executive Director. Mr. ZOU has successively served as the general manager of legal affairs department, legal affairs director, the general counsel, the investment director, the Secretary to the Board of Xiamen C&D Group Co., Ltd. since July 2000 and has served as the deputy general manager since July 2023. He served as a supervisor of C&D Inc. from May 2016 to May 2022, and served as a director of C&D Inc. from May 2022 to May 2026.

Mr. ZOU graduated from Xiamen University with a master's degree in June 2011.

The biographical details of Ms. CHE are set out below:

Ms. CHE, aged 58. From 1990 to 1993, Ms. CHE served as the general manager of Changzhou Red Star Furniture General Factory (常州市紅星傢俱總廠), where she was primarily responsible for the overall operation of the business. From 1994 to 2007, Ms. CHE served as the general manager of Red Star Furniture Group (紅星傢俱集團), responsible for its nationwide investment and operations. Ms. CHE is a co-founder of the Company. She worked at the Company from June 2007 to August 2023 and successively served as an executive Director and a deputy general manager of the Company, where she was primarily responsible for the merchant recruitment management of the Company. Ms. CHE is the wife of Mr. XU and the younger sister of Mr. CHE.

In April 2018, Ms. CHE completed the Executive Master of Business Administration (EMBA) program at Tsinghua University PBC School of Finance (清華大學五道口金融學院).

As at the Latest Practicable Date, Ms. CHE held 123,420 A Shares of the Company.

The biographical details of Mr. JIANG are set out below:

Mr. JIANG, aged 57. Mr. JIANG served as the party committee secretary of Dongyan Automotive Technology Group Co., Ltd. (東研汽車科技集團有限公司) from February 2025 to August 2025, and has served as the chairman of the company since April 2025; he has served as the president of Aegean Sea Commercial since September 2025; and has served as the party committee secretary of RSM Holding since December 2025. Mr. JIANG worked at the Company from June 2007 to January 2025, served as an executive Director of the Company from December 2012 to January 2023, and served as a deputy general manager of the Company from December 2012 to January 2025. Mr. JIANG successively held various positions at Red Star Furniture Group from June 1994 to June 2007, including party branch secretary, party committee secretary, and vice president.

In July 1992, Mr. JIANG completed a three-year correspondence course for cadres in administrative management at the Party School of the CPC Jiangsu Provincial Committee (江蘇省委黨校). In September 2011, Mr. JIANG graduated from Cheung Kong Graduate School of Business (長江商學院), completing the Executive Master of Business Administration program.

As at the Latest Practicable Date, Mr. JIANG held 1,794,780 A Shares of the Company.

Each of Mr. CHENG, Mr. ZOU, Ms. CHE and Mr. JIANG will enter into non-executive Directors' engagement contracts with the Company upon approval of their appointment by the Shareholders at the EGM, for a term commencing from the date of consideration and approval of the relevant resolutions at the EGM until the expiration of the sixth session of the Board. According to the Articles of Association, Mr. CHENG, Mr. ZOU, Ms. CHE and Mr. JIANG will be eligible for re-election after the expiration of their term of office. Mr. CHENG, Mr. ZOU, Ms. CHE and Mr. JIANG will not receive any remuneration as non-executive Directors during their tenure. After the aforesaid director candidates are elected as non-independent Directors at the EGM, they will, together with the independent non-executive Directors elected at the EGM and the employee Director elected through democratic process, form the sixth session of the Board.

Save as disclosed above, as at the Latest Practicable Date, Mr. LI, Mr. CHENG, Mr. ZOU, Ms. CHE and Mr. JIANG did not hold any other position in the Company or its subsidiaries, nor did they hold any directorships in any other public companies whose securities are listed on any securities market in Hong Kong or overseas in the three years prior to the date of their appointments, and did not have other major appointments and professional qualifications.

Save as disclosed above, to the best knowledge of the Company, as at the Latest Practicable Date, Mr. LI, Mr. CHENG, Mr. ZOU, Ms. CHE and Mr. JIANG do not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company, do not have any interests in the securities of the Company within the meaning of Part XV of the SFO, and have not been subject to any disciplinary action by the CSRC or any other relevant authorities or the Stock Exchange.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there any other matters relating to the proposed election and re-election of Mr. LI, Mr. CHENG, Mr. ZOU, Ms. CHE and Mr. JIANG that need to be brought to the attention of the Shareholders. The above resolutions have been considered and approved at the sixty-third extraordinary meeting of the fifth session of the Board and are hereby submitted to the Shareholders for consideration. The relevant resolutions are ordinary resolutions and will be voted on by way of cumulative voting. For details of the voting procedures for the election of non-independent Directors and independent non-executive Directors by way of cumulative voting, please refer to Appendix I to this circular.

VI. ELECTION AND RE-ELECTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS OF THE SIXTH SESSION OF THE BOARD

The Board resolved and approved the election and re-election of Mr. XUE Wei ("**Mr. XUE**"), Mr. HUANG Jianzhong ("**Mr. HUANG**") and Mr. YANG Leyu ("**Mr. YANG**") as independent non-executive Directors on 13 November 2026. The term of office of Mr. XUE, Mr. HUANG and Mr. YANG shall commence from the date of consideration and approval of the relevant resolutions at the EGM until the expiration of the sixth session of the Board. The Board is of the view that Mr. XUE, Mr. HUANG and Mr. YANG meet the independence requirements under Rule 3.13 of the Listing Rules.

The biographical details of Mr. XUE are set out below:

Mr. XUE, aged 48, has been serving as an independent non-executive Director of the Company since August 2023. Mr. XUE has been serving at Xiamen National Accounting Institute (廈門國家會計學院) since December 2015, successively served as a lecturer and an associate professor, and the director of the editorial department of "Yunding Caishuo" (雲頂財說) of Xiamen National Accounting Institute since January 2018, engaging in the teaching and training of finance and accounting, tax theory and practice and business practice, and was appointed as a researcher of the China Taxation Research Institute for Large Enterprises (中國大企業税收研究所) in August 2022. He has been a consulting partner of Zhongshen Zhonghuan Certified Public Accountants (Special General Partner) (中審眾環會計師事務所(特殊普通合夥)) and Haihua Tax Accountant Firm Co., Ltd. (海華税務師事務所有限公司) since July 2020, engaging in the research of finance and taxation practice. He currently serves as an independent director of Xiamen Citius Filter Media Technology Incorporated Company (廈門廈迪亞斯過濾材料技術股份有限公司) and Xiamen Bolion Tech Co., Ltd. (廈門市鉑聯科技股份有限公司).

Mr. XUE graduated from Xiamen University and obtained a doctorate degree in management majoring in accounting in June 2015.

The biographical details of Mr. HUANG are set out below:

Mr. HUANG, aged 63, has been serving as an independent non-executive Director of the Company since August 2023. Mr. HUANG had served as the deputy director of the Department of Foreign Trade, the director of the Department of International Trade, and the deputy dean of the School of Economics of Xiamen University, the director of the Fujian Province Enterprise Planning Center, the party committee secretary and dean of the School of International Trade, the dean of the Graduate School, the dean of the Free Trade Port Strategy Research Institute, and the director of the International Trade Research Institute of Shanghai University of International Business and Economics (上海對外經貿大學). He is currently a Level II professor and doctoral advisor at Shanghai University of International Business and Economics, and concurrently serves as the WTO Chair Holder, vice president of the China Association of International Trade (中國國際貿易學會), a consultant to the Fujian Provincial People's Government, and a member of the Overseas Chinese Ethnic Religious Affairs Committee and the Foreign Affairs Committee of the 15th and 16th Shanghai Municipal People's Congress.

Mr. HUANG graduated from Xiamen University with a doctoral degree in economics in April 1997.

The biographical details of Mr. YANG are set out below:

Mr. YANG, aged 52, Chinese. Mr. YANG worked at Asia Case Research Centre (亞洲商業案例中心) from August 2004 to May 2005, Hong Kong QIAO FU Group Holdings Limited (香港僑福集團控股有限公司) from July 2005 to February 2007, and Hong Kong Nan Fung Group (香港南豐集團) from February 2007 to August 2017, and has worked at Sino-Ocean Group Holding Limited (遠洋集團控股有限公司, a company listed on the Stock Exchange under the stock code 3377) since August 2017 and has served as the executive deputy general manager of Sino-Ocean Land Hong Kong (遠洋地產香港). Mr. YANG also previously served as a non-executive director of Sino-Ocean Group Holding Limited.

Mr. YANG graduated from the University of Hong Kong (香港大學) with a master's degree in business administration in 2004.

Each of Mr. XUE, Mr. HUANG and Mr. YANG will enter into an independent non-executive Director's engagement contract with the Company upon approval of their appointments by the Shareholders at the EGM, for a term commencing from the date of consideration and approval of the relevant resolutions at the EGM until the expiration of the sixth session of the Board. According to the Articles of Association, Mr. YANG will be eligible for re-election after the expiration of his term of office. Mr. XUE, Mr. HUANG and Mr. YANG will each receive an annual pre-tax director's remuneration of RMB200,000, which is determined with reference to their experience, positions, duties and market conditions. After the aforesaid director candidates are elected as independent non-executive Directors at the EGM, they will, together with the non-independent Directors elected at the EGM and the employee Director elected through democratic process, form the sixth session of the Board.

Each of the above candidates for independent non-executive Director has confirmed that (i) with respect to each of the factors set out in Rules 3.13(1) to (8) of the Listing Rules, he meets the independence criteria for Directors set out in Rule 3.13 of the Listing Rules; (ii) he does not have any past or present financial or other interest in the business of the Group or any connection with any core connected person (as defined under the Listing Rules); and (iii) there are no other factors that may affect his independence at the time of his appointment. There are no other matters that need to be disclosed pursuant to Rule 3.14 of the Listing Rules. The nomination committee of the Board (the "**Nomination Committee**") has assessed and reviewed the independence of each candidate for independent non-executive Director and is of the view that each candidate for independent non-executive Director has met the independence requirements under Rule 3.13 of the Listing Rules.

Save as disclosed above, as at the Latest Practicable Date, Mr. XUE, Mr. HUANG and Mr. YANG did not hold any other position in the Company or its subsidiaries, nor did they hold any directorships in any other public companies whose securities are listed on any securities market in Hong Kong or overseas in the three years prior to the date of their appointments, and do not have other major appointments and professional qualifications.

Save as disclosed above, to the best knowledge of the Company, as at the Latest Practicable Date, Mr. XUE, Mr. HUANG and Mr. YANG do not have any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company, do not have any interests in the securities of the Company within the meaning of Part XV of the SFO, and have not been subject to any disciplinary action by the CSRC or any other relevant authorities or the Stock Exchange.

Save as disclosed above, there is no other information required to be disclosed pursuant to the requirements of Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, nor are there any other matters relating to the election and re-election of Mr. XUE, Mr. HUANG and Mr. YANG that need to be brought to the attention of the Shareholders. The above resolutions have been considered and approved at the sixty-third extraordinary meeting of the fifth session of the Board and are hereby submitted to the Shareholders for consideration. The relevant resolutions are ordinary resolutions and will be voted on by way of cumulative voting. For details of the voting procedures for the election of non-independent Directors and independent non-executive Directors by way of cumulative voting, please refer to Appendix I to this circular.

Pursuant to code provision B.3.4 set out in Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules, the Nomination Committee and the Board have discussed the election and re-election of the above three candidates for independent non-executive Director. The Board and the Nomination Committee have followed the procedures for the election and re-election of Directors in the Articles of Association, the Director Nomination Policy, the Board Diversity Policy and the Company's development strategy, and have taken into account various factors, including but not limited to their age, cultural and educational background, professional experience, skills, knowledge and term of service. Based on the capabilities and experience demonstrated in the biographies of the above three candidates for independent non-executive Director, the Board is of the view that by virtue of their personal perspectives, skills and experience, Mr. XUE, Mr. HUANG and Mr. YANG have demonstrated their ability to provide independent, impartial and objective opinions on the affairs of the Company. The three candidates for independent non-executive Director are also able to contribute to the diversity of the Board's structure in various aspects, including culture, knowledge, educational background, experience and skills.

The incumbent non-employee representative Directors of the fifth session, namely Mr. SHI Yaofeng, Mr. YANG Yingwu, Ms. YE Yanliu, Mr. CHE, Mr. XU, Mr. CHEN Shanang, Mr. CAI Qinghui and Mr. WONG Chi Wai, will retire as Directors and cease to hold positions in the relevant specialized committees of the Board upon the conclusion of the EGM. The above retiring Directors have confirmed that they have no disagreement with the Board, and there are no other matters relating to their retirement that need to be brought to the attention of the Shareholders.

VII. THE 2026 THIRD EXTRAORDINARY GENERAL MEETING

An EGM of the Company will be held at 2:00 p.m. on Friday, 4 December 2026 at Conference Center, 3/F, South Building, Block B, Macalline Global Center, Lane 1466, Shenchang Road, Minhang District, Shanghai, the PRC. A notice of the EGM is set out on pages 25 to 27 of this circular.

The proxy form for the EGM is also enclosed herein and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.chinaredstar.com). The Shareholders who intend to appoint (a) proxy/proxies to attend the EGM shall complete, sign and return the proxy form in accordance with the instructions printed thereon.

For H Share Shareholders, the proxy form, and if the proxy form is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time for holding the EGM in order for such documents to be valid. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

Pursuant to the Articles of Association, for the purpose of holding the EGM, the register of members of H Shares will be closed from Tuesday, 1 December 2026 to Friday, 4 December 2026 (both days inclusive), during which period no transfer of H Shares will be registered. H Share Shareholders whose names appear on the register of members of the Company on Tuesday, 1 December 2026 are entitled to attend and vote at the EGM. For information about A Share Shareholders' attendance at the EGM, please see the A Share announcement published by the Company on the website of the SSE.

In order to ascertain the entitlements to attend and vote at the EGM, H Share Shareholders shall lodge all transfer documents together with the relevant share certificates to Computershare Hong Kong Investor Services Limited, the Company's H share registrar, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Monday, 30 November 2026.

With respect to the resolution on the change of certain undertakings and performance obligations for specific matters by the second-largest Shareholder of the Company, Mr. CHE and the parties acting in concert with him, Ms. CHE, Ms. CHEN Shuhong (spouse of Mr. CHE) and RSM Holding are required to abstain from voting on such resolution at the EGM.

Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the resolutions to be proposed at the EGM and is required to abstain from voting on the relevant resolutions at the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, the resolutions proposed at the EGM will be voted by poll.

In addition, the Company will offer a platform to A Share Shareholders, including Shanghai-Hong Kong Stock Connect investors, to vote online through the general meeting online voting system of the SSE. Please refer to the relevant announcement published by the Company on the SSE for details.

VIII. RECOMMENDATION

The Board considers that all resolutions as set out in the notice of the EGM for the Shareholders to consider and approve are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all resolutions to be proposed at the EGM.

IX. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, provides information in relation to the Company in compliance with the Listing Rules. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully,
By Order of the Board
Red Star Macalline Group Corporation Ltd.
CAO Shu
Secretary of the Board and Joint Company Secretary

Cumulative voting system:

1. The election of candidates for non-independent Directors and the election of candidates for independent non-executive Directors at the general meeting will be numbered as separate resolution groups. Investors should vote for each candidate under each resolution group.

2. The number of shares declared shall represent the votes to be cast for the elections. For each group of resolutions, the total number of votes to which a shareholder is entitled for each share held by himself/herself/itself shall be equal to the number of directors to be elected under that particular group of resolutions. If a shareholder holds 100 shares of a listed company, and there are 10 directors to be elected at the general meeting with 12 candidates taking part in the election of directors, such shareholder shall be entitled to a total number of 1,000 votes in respect of that particular group of resolutions on the election of the members of the Board.

3. Voting of shareholders shall be confined to the number of votes to which he/she/it is entitled in respect of each group of resolutions. Shareholders may cast their votes at their own discretion by casting his/her/its votes on one candidate or on different candidates in any combination. Upon completion of the voting, the votes will be counted cumulatively in respect of each of the resolutions.

4. Illustration:

The EGM adopts the cumulative voting system for the election of members of the Board. 5 non-independent Directors are to be elected from 6 candidates for non-independent Directors; 2 independent non-executive Directors are to be elected from 3 candidates for independent non-executive Directors (the resolution items are as follows):

Resolutions effected by cumulative voting

4.00	Resolution on the election of non-independent Directors	Number of votes
4.01	e.g., CHEN	
4.02	e.g., ZHAO	
4.03	e.g., JIANG	
……	……	
4.06	e.g., SONG	
5.00	Resolution on the election of independent non-executive Directors	Number of votes
5.01	e.g., ZHANG	
5.02	e.g., WANG	
5.03	e.g., YANG	

If an investor holds 100 shares in the Company on the record date, under cumulative voting system, he/she will be entitled to 500 votes for resolution No. 4.00 titled "Resolution on the election of non-independent Directors" and 200 votes for resolution No. 5.00 titled "Resolution on the election of independent non-executive Directors".

Such investor may vote on resolution No. 4.00 according to his/her own discretion, up to a limit of 500 votes. He (she) can either cast all 500 votes for one candidate or distribute them among different candidates in any combination.

As shown in the table below:

		Number of Votes			
No.	**Name of Resolution**	**Method 1**	**Method 2**	**Method 3**	**Method …**
4.00	Resolution on the election of non-independent Directors	–	–	–	–
4.01	e.g., CHEN	500	100	100	
4.02	e.g., ZHAO	0	100	50	
4.03	e.g., JIANG	0	100	200	
……	……	…	…	…	
4.06	e.g., SONG	0	100	50	

No "For", "Against" or "Abstain" options are available under the cumulative voting system. Shareholders' voting shall be confined to the number of votes to which they are entitled in respect of each resolution group.

5. The above explanation is for Shareholders' reference only.

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)

NOTICE OF THE 2026 THIRD EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2026 third extraordinary general meeting (the "**EGM**") of Red Star Macalline Group Corporation Ltd. (the "**Company**") will be held at 2:00 p.m. on Friday, 4 December 2026 at Conference Center, 3/F, South Building, Block B, Macalline Global Center, Lane 1466, Shenchang Road, Minhang District, Shanghai, the PRC for the purpose of considering, and if thought fit, passing the following resolutions:

SPECIAL RESOLUTIONS

1. To consider and approve the resolution on the amendments to the Articles of Association of Red Star Macalline Group Corporation Ltd.

2. To consider and approve the resolution on the amendments to the Procedure Rules for the Board of Red Star Macalline Group Corporation Ltd.

ORDINARY RESOLUTION

3. To consider and approve the resolution on the change of certain undertakings and performance obligations for specific matters by the second largest Shareholder of the Company

ORDINARY RESOLUTIONS (CUMULATIVE VOTING SYSTEM)

4. To consider and approve the resolutions on the election and re-election of non-independent directors (the "**Directors**") of the sixth session of the board of Directors (the "**Board**") of the Company, including:

    4.1. To consider and approve the re-election of Mr. LI Yupeng as an executive Director of the Company

    4.2. To consider and approve the election of Mr. CHENG Dongfang as a non-executive Director of the Company

    4.3. To consider and approve the re-election of Mr. ZOU Shaorong as a non-executive Director of the Company

    4.4. To consider and approve the election of Ms. CHE Jianfang as a non-executive Director of the Company

4.5. To consider and approve the election of Mr. JIANG Xiaozhong as a non-executive Director of the Company

5. To consider and approve the resolutions on the election and re-election of independent non-executive Directors of the sixth session of the Board of the Company, including:

5.1. To consider and approve the re-election of Mr. XUE Wei as an independent non-executive Director of the Company

5.2. To consider and approve the re-election of Mr. HUANG Jianzhong as an independent non-executive Director of the Company

5.3. To consider and approve the election of Mr. YANG Leyu as an independent non-executive Director of the Company

By Order of the Board
Red Star Macalline Group Corporation Ltd.
CAO Shu
Secretary of the Board and Joint Company Secretary

Shanghai, the PRC
16 November 2026

Notes:

1. Unless the context otherwise stated, capitalised terms used in this notice shall have the same meanings as those defined in the circular of the Company dated 16 November 2026 (the "**Circular**"). Details of the resolutions are set forth in the Circular.

2. For the purpose of holding the EGM, the register of members of H Shares of the Company will be closed from Tuesday, 1 December 2026 to Friday, 4 December 2026 (both days inclusive), during which period no transfer of H Shares will be registered. In order for H Share Shareholders to be qualified to attend and vote at the EGM, all transfer documents accompanied by the relevant share certificates must be lodged with the H share registrar of the Company, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Monday, 30 November 2026 for registration.

   Shareholders whose names appear on the register of members of H Shares of the Company on Tuesday, 1 December 2026 are entitled to attend and vote at the EGM.

3. The shareholders who are entitled to attend and vote at the EGM may appoint one or more proxies to attend and vote on their behalf. A proxy need not be a shareholder of the Company.

4. The instrument appointing a proxy must be in writing under the hand of a shareholder or his/her attorney duly authorized in writing. If the shareholder is a legal person, that instrument must be executed either under its seal or under the hand of its director or other attorney duly authorized to sign the same on its behalf.

5. In order to be valid, the proxy form must be deposited, for H Share Shareholders of the Company, to the H share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time for holding the EGM. If the proxy form is signed by a person under the power of attorney or other authority, a notarized copy of that power of attorney or other authority shall be deposited at the same time as mentioned in the proxy form. Completion and return of the proxy form will not preclude shareholders of the Company from attending and voting in person at the EGM or any adjourned meetings should they so wish.

6. Shareholders shall produce their identification documents and supporting documents in respect of the shares of the Company held when attending the EGM. If corporate Shareholders appoint their authorized representatives to attend the EGM, the authorized representatives shall produce their identity documents and notarized copies of the relevant authorization documents signed by the board of directors or other authorized parties of the corporate shareholders or other notarized documents permitted by the Company. Proxies shall produce their identification documents and the proxy form signed by the Shareholders or their attorney when attending the EGM.

7. The EGM is expected to take for less than half a day. Shareholders attending the EGM shall be responsible for their own travel and accommodation expenses.

8. All voting at the EGM will be conducted by poll.

9. In respect of ordinary resolutions numbered 4 to 5 (i.e., resolutions 4.1 to 4.5 and resolutions 5.1 to 5.3), they shall be approved by more than half of the total number of Shares held by the Shareholders with voting rights present at the EGM, and the cumulative voting system will be adopted. "Cumulative voting system" means that when Directors are elected under the same resolution group at a general meeting, each Share held by a Shareholder participating in the voting shall carry a number of votes equal to the number of Directors to be elected under that resolution group, and a Shareholder may either cast all of his/her/its votes for one candidate or distribute them among different candidates in any combination. No "For", "Against" or "Abstain" options are available under the cumulative voting system.

   Specifically: (1) in the election of non-independent Directors, the number of votes that each Shareholder is entitled to shall be equal to the number of Shares held by him/her/it multiplied by the total number of non-independent Directors to be elected. Each Shareholder may either cast his/her/its votes for one non-independent Director candidate or distribute them among different non-independent Director candidates in any combination; (2) in the election of independent non-executive Directors, the number of votes that each Shareholder is entitled to shall be equal to the number of Shares held by him/her/it multiplied by the total number of independent non-executive Directors to be elected. Each Shareholder may either cast his/her/its votes for one independent non-executive Director candidate or distribute them among different independent non-executive Director candidates in any combination.

   Shareholders' voting shall be confined to the number of votes to which they are entitled in respect of each resolution group. You may fill in the corresponding number of votes in the "Cumulative Voting System" column next to the name of each candidate. The minimum number of votes is zero, while the maximum number of votes is the maximum number of votes under each group of resolutions, and the votes cast need not be an integral multiple of the number of Shares held by you. If the number of votes cast by a Shareholder for candidate(s) under a group of resolutions exceeds the number of votes held by such Shareholder in respect of that group of resolutions, the votes cast by such Shareholder under that group of resolutions shall be deemed invalid; if the number of votes cast by a Shareholder for candidate(s) under a group of resolutions is less than the number of votes held by such Shareholder, the voting by such Shareholder shall be valid, but the difference shall be deemed as a waiver of his/her/its voting rights.