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宏华集团
HONGHUA GROUP

HONGHUA GROUP LIMITED

宏華集團有限公司

(a company incorporated in the Cayman Islands with limited liability)

(Stock Code: 196)

**GRATUITOUS TRANSFER SHARES BY
LARGEST SHAREHOLDER**

This announcement is made by Honghua Group Limited (the “**Company**”) pursuant to Rule 13.09 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 (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 28 November 2021 (the “**Announcement**”), in relation to the proposed Gratuitous Transfer of 1,606,000,000 shares of the Company (accounting for 29.98% of the total issued share capital of the Company) from Kehua Technology, the largest shareholder of the Company, to Electric Investment Company. Unless specified otherwise, the terms used in this announcement shall have the same meaning as those defined in the

Announcement.

On 22 June 2022, the Company received a notice that the Gratuitous Transfer has been approved by the State-owned Assets Supervision and Administration Commission of the State Council.

The Gratuitous Transfer shall still be subject to the completion of the share transfer and registration procedures. Further announcement(s) will be made by the Company according to the progress of the event as and when appropriate.

Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

On behalf of the Board

Honghua Group Limited

Jin Liliang

Chairman

PRC, 22 June 2022

As at the date of this announcement, the executive directors of the Company are Mr. Jin Liliang (Chairman) and Mr. Ren Jie; the non-executive directors of the Company are Mr. Zhang Mi, Mr. Chen Wenle and Mr. Wang Xiuchang; and the independent non-executive directors of the Company are Mr. Chen Guoming, Ms. Su Mei, Mr. Chang Qing and Mr. Wei Bin.