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Unless otherwise defined herein, capitalized terms used in this announcement shall have the same meanings as those defined in the prospectus dated November 30, 2022 (the “**Prospectus**”) issued by Huafang Group Inc. (the “**Company**”).

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company. This announcement is not a prospectus. Potential investors should read the Prospectus for detailed information about the Company and the Global Offering described below before deciding whether or not to invest in the Offer Shares.

This announcement is not for release, publication, distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities of the Company in Hong Kong, in the United States or in any other jurisdiction. The Offer Shares have not been and will not be registered under the United States Securities Act of 1933, as amended from time to time (the “**U.S. Securities Act**”) or securities law of any state or other jurisdiction of the United States and may not be offered, sold, pledged or transferred within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. There will be no public offer of the Offer Shares in the United States. The Offer Shares are being offered and sold solely outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

In connection with the Global Offering, Haitong International Securities Company Limited, or any of its affiliates or any persons acting for it, as stabilizing manager (the “**Stabilizing Manager**”), on behalf of the Underwriters, may effect transactions with a view to stabilizing or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager, or any of its affiliates or any person acting for it, to conduct any such stabilizing action, which, if commenced, will be done at the absolute discretion of the Stabilizing Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilizing activity is required to be brought to an end on the 30th day after the last date for the lodging of applications under the Hong Kong Public Offering, being Wednesday, January 4, 2023. Such stabilization action, if commenced, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules (Cap. 571W of the Laws of Hong Kong), as amended, made under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Potential investors should be aware that stabilizing action cannot be taken to support the price of the Shares for longer than the stabilization period which begins on the Listing Date and is expected to expire on Wednesday, January 4, 2023, being the 30th day after the last date for the lodging of applications under the Hong Kong Public Offering. After this date when no further stabilizing action may be taken, demand for the Shares, and therefore the price of the Shares, could fall.

The Hong Kong Offer Shares will be offered to the public in Hong Kong subject to the terms and conditions set out in the Prospectus and the related application form. The Hong Kong Offer Shares will not be offered to any person who is outside Hong Kong and/or not resident in Hong Kong. Potential investors of the Offer Shares should note that the Overall Coordinators and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) shall be entitled to terminate the Hong Kong Underwriting Agreement with immediate effect upon the occurrence of any of the events set out in the section headed “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Grounds for Termination” in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (which is currently expected to be on Monday, December 12, 2022).

In connection with the Global Offering, our Company expects to grant to the International Underwriters, exercisable in whole or in part by the Overall Coordinators and the Joint Global Coordinators (for themselves and on behalf of the International Underwriters), the Over-allotment Option, which will be exercisable from the Listing Date until 30 days after the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to issue and allot, up to an aggregate of 6,900,000 Shares, representing an aggregate of 15.0% of the initial Offer Shares, at the Offer Price under the International Offering, to cover over-allocations in the International Offering, if any.



**花房集团**  
HUAFANG GROUP

**Huafang Group Inc.**  
花房集团公司

*(Incorporated in the Cayman Islands with limited liability)*

## Global Offering

<b>Total number of Offer Shares under the Global Offering</b>	<b>: 46,000,000 Shares (subject to the Over-allotment Option)</b>
<b>Number of Hong Kong Offer Shares</b>	<b>: 4,600,000 Shares (subject to adjustment)</b>
<b>Number of International Offer Shares</b>	<b>: 41,400,000 Shares (subject to adjustment and the Over-allotment Option)</b>
<b>Maximum Offer Price</b>	<b>: HK\$3.60 per Share, plus brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015% (payable in full on application and subject to refund)</b>
<b>Nominal value</b>	<b>: US\$0.0001 per Share</b>
<b>Stock code</b>	<b>: 3611</b>

### *Joint Sponsors*

*(In no particular order)*



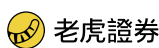
### *Overall Coordinators, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers*

*(In no particular order)*



### *Other Joint Bookrunners and Joint Lead Managers*

*(In alphabetical order)*



### *Other Joint Lead Manager*



## IMPORTANT NOTICE TO INVESTORS:

### FULLY ELECTRONIC APPLICATION PROCESS

We have adopted a fully electronic application process for the Hong Kong Public Offering. We will not provide printed copies of the Prospectus or printed copies of any application forms to the public in relation to the Hong Kong Public Offering.

The prospectus is available at the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) under the “*HKEXnews > New Listings > New Listing Information*” section, and our website at [www.huafang.com](http://www.huafang.com). If you require a printed copy of the Prospectus, you may download and print from the website addresses above.

To apply for the Hong Kong Offer Shares, you may:

- apply online via the **HK eIPO White Form** service in the **IPO App** (which can be downloaded by searching “**IPO App**” in App Store or Google Play or downloaded at [www.hkeipo.hk/IPOApp](http://www.hkeipo.hk/IPOApp) or [www.tricorglobal.com/IPOApp](http://www.tricorglobal.com/IPOApp)) or at [www.hkeipo.hk](http://www.hkeipo.hk);
- apply through the **CCASS EIPO** service to electronically cause HKSCC Nominees to apply on your behalf, including by:
  1. instructing your **broker** or **custodian** who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** via CCASS terminals to apply for the Hong Kong Offer Shares on your behalf; or
  2. (if you are an existing **CCASS Investor Participant**) giving **electronic application instructions** through the CCASS Internet System (<https://ip.ccass.com>) or through the CCASS Phone System by calling +852 2979 7888 (using the procedures in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). HKSCC can also input **electronic application instructions** for CCASS Investor Participants through HKSCC’s Customer Service Center at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong by completing an input request.

We will not provide any physical channels to accept any application for the Hong Kong Offer Shares by the public. The contents of the electronic version of the Prospectus are identical to the printed Prospectus as registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

If you are an **intermediary, broker** or **agent**, please remind your customers, clients or principals, as applicable, that the Prospectus is available online at the website addresses above.

Please refer to the section headed “How to Apply for Hong Kong Offer Shares” in the Prospectus for further details of the procedures through which you can apply for the Hong Kong Offer Shares electronically.

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in (i) the Shares in issue, (ii) the Shares to be issued pursuant to the Capitalization Issue, (iii) the Shares to be issued pursuant to the Global Offering (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option), and (iv) any Shares which may be issued upon the exercise of any options granted under the Pre-IPO Share Option Scheme. Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Monday, December 12, 2022, it is expected that dealings in the Shares on the Stock Exchange will commence at 9:00 a.m. on Monday, December 12, 2022.

Your application through the **HK eIPO White Form** service or the **CCASS EIPO** service must be for a minimum of 1,000 Hong Kong Offer Shares and in one of the numbers set out in the table. You are required to pay the amount next to the number you select.

No. of Hong Kong Offer Shares applied for	Amount payable on application <i>HK\$</i>	No. of Hong Kong Offer Shares applied for	Amount payable on application <i>HK\$</i>	No. of Hong Kong Offer Shares applied for	Amount payable on application <i>HK\$</i>	No. of Hong Kong Offer Shares applied for	Amount payable on application <i>HK\$</i>
1,000	3,636.29	9,000	32,726.54	80,000	290,902.61	700,000	2,545,397.82
2,000	7,272.56	10,000	36,362.82	90,000	327,265.44	800,000	2,909,026.08
3,000	10,908.85	20,000	72,725.65	100,000	363,628.26	900,000	3,272,654.34
4,000	14,545.13	30,000	109,088.48	200,000	727,256.52	1,000,000	3,636,282.60
5,000	18,181.42	40,000	145,451.31	300,000	1,090,884.78	2,000,000	7,272,565.20
6,000	21,817.69	50,000	181,814.13	400,000	1,454,513.04	2,300,000*	8,363,449.98
7,000	25,453.98	60,000	218,176.95	500,000	1,818,141.30		
8,000	29,090.26	70,000	254,539.78	600,000	2,181,769.56		

\* Maximum number of Hong Kong Offer Shares you may apply for.

No application for any other number of the Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

## **STRUCTURE OF THE GLOBAL OFFERING**

The Global Offering comprises of:

- the Hong Kong Public Offering of initially 4,600,000 Offer Shares (subject to adjustment) in Hong Kong, representing 10% of the total number of Offer Shares initially available under the Global Offering, and
- the International Offering of initially 41,400,000 Offer Shares (subject to reallocation and the Over-allotment Option), representing 90% of the total number of Offer Shares initially available under the Global Offering.

The allocation of the Offer Shares between the Hong Kong Public Offering and the International Offering will be subject to reallocation as described in the section headed “Structure of the Global Offering” in the Prospectus.

The Overall Coordinators and the Joint Global Coordinators may, in their sole discretion, re-allocate Offer Shares from the International Offering to the Hong Kong Public Offering to satisfy valid applications under the Hong Kong Public Offering. In particular, if (i) the International Offer Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed by less than 15 times, or (ii) the International Offer Shares are undersubscribed and the Hong Kong Offer Shares are fully subscribed or oversubscribed irrespective of the number of times, the Overall Coordinators and the Joint Global Coordinators have the authority to re-allocate Offer Shares originally included in the International Offering to the Hong Kong Public Offering in such number as they deem appropriate, provided that, in accordance with the Guidance Letter HKEX-GL-91-18 issued by the Stock Exchange, (i) the number of International Offer Shares re-allocated to the Hong Kong Public Offering should not exceed 4,600,000 Offer Shares, representing 10% of the Offer Shares initially available under the Global Offering, and the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering will be increased to 9,200,000 Shares, representing 20% of the number of the Offer Shares initially available under the Global Offering; and (ii) the Offer Price shall be fixed at HK\$2.80 per Offer Share (being the low-end of the indicative Offer Price range) stated in the Prospectus.

## **PRICING**

The Offer Price will not be more than HK\$3.60 per Offer Share, and is expected to be not less than HK\$2.80 per Offer Share unless otherwise announced as further explained in the section headed “Structure of the Global Offering” in the Prospectus. Applicants for the Hong Kong Offer Shares are required to pay, on application, the maximum Offer Price of HK\$3.60 per Offer Share together with brokerage of 1%, SFC transaction levy of 0.0027%, the Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%.

## EXPECTED TIMETABLE

Hong Kong Public Offering commences . . . . . 9:00 a.m. on Wednesday,  
November 30, 2022

Latest time for completing electronic applications  
under the **HK eIPO White Form** service through  
one of the below ways:

- (1) the **IPO App**, which can be downloaded by  
searching “**IPO App**” in App Store or  
Google Play or downloaded at  
[www.hkeipo.hk/IPOApp](http://www.hkeipo.hk/IPOApp) or  
[www.tricorglobal.com/IPOApp](http://www.tricorglobal.com/IPOApp)
  
- (2) the designated website [www.hkeipo.hk](http://www.hkeipo.hk) . . . . . 11:30 a.m. on Monday,  
December 5, 2022

Application lists open . . . . . 11:45 a.m. on Monday,  
December 5, 2022

Latest time for (a) completing payment for  
**HK eIPO White Form** applications by  
effecting Internet banking transfer(s) or PPS  
payment transfer(s) and (b) giving **electronic**  
**application instructions** to HKSCC . . . . . 12:00 noon on Monday,  
December 5, 2022

If you are instructing your **broker** or **custodian** who is a CCASS Clearing Participant or a CCASS  
Custodian Participant to give **electronic application instructions** via CCASS terminals to apply  
for the Hong Kong Offer Shares on your behalf, you are advised to contact your **broker** or  
**custodian** for the latest time for giving such instructions which may be different from the latest  
time as stated above.

Application lists close . . . . . 12:00 noon on Monday,  
December 5, 2022

Expected Price Determination Date . . . . . Monday,  
December 5, 2022

Announcement of the Offer Price on our website  
at [www.huafang.com](http://www.huafang.com) and the website of the  
Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk)  
on or around . . . . . Friday,  
December 9, 2022

Announcement of the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares on our website at [www.huafang.com](http://www.huafang.com) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) on or before ..... Friday, December 9, 2022

The results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) to be available through a variety of channels, including:

- in the announcement to be posted on our website and the website of the Stock Exchange at [www.huafang.com](http://www.huafang.com) and [www.hkexnews.hk](http://www.hkexnews.hk), respectively .....Friday, December 9, 2022
- from "IPO Results" function in the **IPO App** or the designated results of allocations website at [www.tricor.com.hk/ipo/result](http://www.tricor.com.hk/ipo/result) or [www.hkeipo.hk/IPOResult](http://www.hkeipo.hk/IPOResult) with a "search by ID" function from .....Friday, December 9, 2022

Share certificates in respect of wholly or partially successful applications to be despatched or deposited into CCASS on or before.....Friday, December 9, 2022

**HK eIPO White Form** e-Auto Refund payment instructions/refund cheques in respect of wholly or partially successful applications (if applicable) or wholly or partially unsuccessful applications to be despatched on or around.....Friday, December 9, 2022

Dealings in the Shares on the Stock Exchange expected to commence at 9:00 a.m. on ..... Monday, December 12, 2022

*Note:* All dates and times refer to Hong Kong local times and date, except as otherwise stated.

## SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the approval for listing of, and permission to deal in, the Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or on any other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second settlement day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made to enable the Shares to be admitted into CCASS. Investors should seek the advice of their stockbrokers or other professional advisers for details of the settlement arrangement as such arrangements may affect their rights and interests.

## ELECTRONIC APPLICATION CHANNELS

### HK eIPO White Form service

You may submit your application through the **HK eIPO White Form Service Provider** in the **IPO App** or at [www.hkeipo.hk](http://www.hkeipo.hk) (24 hours daily, except on the last application day) from 9:00 a.m. on Wednesday, November 30, 2022 until 11:30 a.m. on Monday, December 5, 2022 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Monday, December 5, 2022, the last day for applications, or such later date as described in the section headed “How to Apply for Hong Kong Offer Shares – 10. Effect of Bad Weather on the Opening and Closing of the Application Lists” in the Prospectus.

### CCASS EIPO service

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

Wednesday, November 30, 2022 – 9:00 a.m. to 8:30 p.m.  
Thursday, December 1, 2022 – 8:00 a.m. to 8:30 p.m.  
Friday, December 2, 2022 – 8:00 a.m. to 8:30 p.m.  
Monday, December 5, 2022 – 8:00 a.m. to 12:00 noon

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Wednesday, November 30, 2022 until 12:00 noon on Monday, December 5, 2022 (24 hours daily, except on Monday, December 5, 2022, the last application day).

The latest time for inputting your **electronic application instructions** will be 12:00 noon on Monday, December 5, 2022, the last application day, or such later time as described in the section headed “How to Apply for Hong Kong Offer Shares – 10. Effect of Bad Weather on the Opening and Closing of the Application Lists” in the Prospectus.

These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants and/or CCASS Investor Participants.

If you are instructing your **broker** or **custodian** who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** via CCASS terminals to apply for the Hong Kong Offer Shares on your behalf, you are advised to contact your **broker** or **custodian** for the latest time for giving such instructions which may be different from the latest time as stated above.



The application monies (including the brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy) will be held by the receiving banks and on behalf of the Company after the closing of the application lists and the refund monies, if any, will be returned to the applicants without interest on or before Friday, December 9, 2022.

Please refer to the sections headed “Structure of the Global Offering” and “How to Apply for Hong Kong Offer Shares” of the Prospectus for details of the conditions and procedures of the Hong Kong Public Offering.

**Application for the Hong Kong Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus, the IPO App and on the designated website at [www.hkeipo.hk](http://www.hkeipo.hk) for the HK eIPO White Form service.**

## **PUBLICATION OF RESULTS**

We expect to announce the final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares on Friday, December 9, 2022 on our website at [www.huafang.com](http://www.huafang.com) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration/certificate of incorporation numbers of successful applicants (where applicable) under the Hong Kong Public Offering will be available through a variety of channels at the times and date and in the manner specified in the section headed “How to Apply for Hong Kong Offer Shares – 11. Publication of Results” in the Prospectus.

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum Offer Price of HK\$3.60 per Offer Share (excluding brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy thereon), or if the conditions of the Hong Kong Public Offering are not fulfilled in accordance with “Structure of the Global Offering – Conditions of the Global Offering” in the Prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy, the Stock Exchange trading fee and AFRC transaction levy, will be refunded, without interest or the cheque or banker’s cashier order will not be cleared.

No temporary documents of title will be issued in respect of the Shares and no receipt will be issued for sums paid on application. Share certificates will only become valid at 8:00 a.m. on Monday, December 12, 2022 (Hong Kong time), provided that the Global Offering has become unconditional and the right of termination described in the “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Grounds for Termination” section in the Prospectus has not been exercised.

Assuming the Global Offering becomes unconditional at or before 8:00 a.m. on Monday, December 12, 2022 (Hong Kong time), dealings in the Shares are expected to commence at 9:00 a.m. on Monday, December 12, 2022 (Hong Kong time). The Shares will be traded in board lots of 1,000 Shares each. The stock code of the Shares is 3611.

This announcement is available for viewing on the website of the Company at [www.huafang.com](http://www.huafang.com) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

By order of the Board  
**Huafang Group Inc.**  
花房集团公司  
**Mr. ZHOU Hongyi**  
*Chairman*

Hong Kong, November 30, 2022

*As at the date of this announcement, the Board comprises Ms. YU Dan as executive Director; Mr. ZHOU Hongyi, Mr. CHEN Shengmin and Mr. ZHAO Dan as non-executive Directors; and Mr. CHEN Weiguang, Mr. LI Bing and Ms. QIAN Aimin as independent non-executive Directors.*