

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

FINAL OFFER PRICE

The final Offer Price has been determined at HK\$2.80 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%).

NET PROCEEDS FROM THE GLOBAL OFFERING

- Based on the Offer Price of HK\$2.80 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting fees and commissions and the other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$72.4 million. The Company intends to apply such net proceeds from the Global Offering in accordance with the purposes as set out in the section headed “Net Proceeds from the Global Offering” in this announcement.
- As no over-allocation of International Offer Shares has been made, the Over-allotment Option has not been exercised and will not be exercised, and no additional proceeds are expected to be received by the Company in this connection.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

Hong Kong Public Offering

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been very significantly over-subscribed. A total of 11,708 valid applications have been received pursuant to the Hong Kong Public Offering through the **HK eIPO White Form** service and through the **CCASS EIPO** service for a total of 153,809,000 Hong Kong Offer Shares, representing approximately 33.44 times of the total number of 4,600,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the over-subscription in the Hong Kong Public Offering represents 15 times or more but less than 50 times of the total number of Offer Shares initially available under the Hong Kong Public Offering, the reallocation procedure as described in the paragraph headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in the Prospectus has been applied and 9,200,000 Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Offer Shares under the Hong Kong Public Offering is 13,800,000 Shares, representing 30% of the total number of Offer Shares initially available under the Global Offering, and being allocated to 4,100 successful applicants under the Hong Kong Public Offering, of which 3,397 have been allocated one board lot of Offer Shares.

International Offering

- The Offer Shares initially offered under the International Offering have been slightly over-subscribed. A total of 58,864,000 International Offer Shares have been subscribed, representing approximately 1.42 times of the total number of 41,400,000 Offer Shares initially available under the International Offering. After reallocation of the Offer Shares to the Hong Kong Public Offering from the International Offering, the final number of Offer Shares allocated to the placees under the International Offering is 32,200,000 Shares, representing 70% of the total number of Offer Shares initially available under the Global Offering.
- There are a total of 107 placees under the International Offering. No over-allocation of International Offer Shares has been made. A total of 103 placees have been allotted five board lots of the Offer Shares or less, representing approximately 96.3% of the 107 placees under the International Offering. These placees have been allotted 150,000 Offer Shares in total, representing approximately 0.36% of the 41,400,000 Offer Shares initially available under the International Offering (which represented 90% of the total number of Offer Shares initially available under the Global Offering). A total of 102 placees have been allotted three board lots of the Offer Shares or less, representing approximately 95.3% of the 107 placees under the International Offering. These placees have been allotted 146,000 Offer Shares in total, representing approximately 0.35% of the 41,400,000 Offer Shares initially available under the International Offering (which represented 90% of the total number of Offer Shares initially available under the Global Offering). A total of 95 placees have been allotted two board lots of the Offer Shares or less, representing approximately 88.8% of the 107 placees under the International Offering. These placees have been allotted 125,000 Offer Shares in total, representing approximately 0.30% of the 41,400,000 Offer Shares initially available under the International Offering (which represented 90% of the total number of Offer Shares initially available under the Global Offering). A total of 65 placees have been allotted one board lot of the Offer Shares, representing approximately 60.7% of the 107 placees under the International Offering. These placees have been allotted 65,000 Offer Shares in total, representing approximately 0.16% of the 41,400,000 Offer Shares initially available under the International Offering (which represented 90% of the total number of Offer Shares initially available under the Global Offering).

Compliance with the Placing Guidelines

- The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been financed directly or indirectly by the Company, any of the Directors, chief executive, Controlling Shareholders, substantial shareholders, existing Shareholders or any of their subsidiaries or their respective close associates; (ii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, any of the Directors, chief executive, Controlling Shareholders, substantial shareholders, existing Shareholders or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them; (iii) there is no side agreement or arrangement between the Company, any of the Directors, chief executive, Controlling Shareholders, substantial shareholders, existing Shareholders or any of their subsidiaries or their respective close associates, on one hand, and the public subscribers or the placee who has subscribed for the Offer Shares, on the other hand; and (iv) no Offer Shares placed by or through the Overall Coordinator, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or the Capital Market Intermediates under the Global Offering have been placed with applicants who are core connected persons (as defined in the Listing Rules) of the Company, or to any connected clients (as set out in paragraph 5(1) of Appendix 6 to the Listing Rules (the “**Placing Guidelines**”)), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The International Offering is in compliance with the Placing Guidelines.
- None of the Joint Sponsors, the Overall Coordinator, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediates and their respective affiliated companies and connected clients of the lead broker or of any distributors (as defined in the Placing Guidelines) has taken up any Offer Shares for its own benefit under the Global Offering.
- The Directors also confirm that (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately following completion of the Capitalization Issue and the Global Offering; (ii) there will not be any new substantial shareholder (as defined in the Listing Rules) of the Company immediately following completion of the Capitalization Issue and the Global Offering; (iii) the number of Shares to be held by the public will satisfy the minimum percentage as prescribed by Rule 8.08(1)(a) of the Listing Rules immediately following completion of the Capitalization Issue and the Global Offering; (iv) the three largest public Shareholders do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and (v) there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules. The Directors further confirm that, to the best of their knowledge, all placees under the International Offering and their ultimate beneficial owners are not and are independent of any of (a) the core connected persons (as defined in the Listing Rules) of the Company, (b) the directors or existing shareholders of the Company or any of the Company’s subsidiaries, or (c) the close associates (as defined in the Listing Rules) of (a) and/or (b) above whether in their own names or through nominees.

Over-allotment Option

- In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by the Joint Global Coordinators and the Overall Coordinators (for themselves and on behalf of the other International Underwriters), at any time from the Listing Date up to Wednesday, January 4, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 6,900,000 additional Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price to cover the over-allocations in the International Offering, if any.
- No over-allocation of International Offer Shares has been made. Therefore, the Stock Borrowing Agreement will not be entered into and the Over-allotment Option will not be exercised. In view of the fact that there has been no over-allocation in the International Offering, no stabilizing action as described in the Prospectus will take place during the stabilization period.

LOCK-UP OBLIGATIONS

- The Company, the Controlling Shareholders, certain pre-IPO investors and certain existing Shareholder are subject to certain lock-up obligations as set out in the paragraph headed “Lock-up Obligations” in this announcement.

RESULTS OF ALLOCATIONS

- 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 will be made available on the website of the Stock Exchange at www.hkexnews.hk and the Company’s website at www.huafang.com by no later than 9:00 a.m. on Friday, December 9, 2022.
- The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **HK eIPO White Form** service or through the **CCASS eIPO** service, including the Hong Kong identity card numbers, passport numbers, Hong Kong business registration numbers, certificate of incorporation numbers or beneficial owner identification codes of successful applicants (where applicable) and the number of Hong Kong Offer Shares, successfully applied for, will be made available at the times and dates and in the manner specified below:
 - in the announcement to be posted on the Company’s website at www.huafang.com and the Stock Exchange’s website at www.hkexnews.hk by no later than 9:00 a.m. on 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 or www.hkeipo.hk/IPOResult with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Friday, December 9, 2022 to 12:00 midnight on Thursday, December 15, 2022; and
 - from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. on Friday, December 9, 2022 to Wednesday, December 14, 2022 (excluding any days which is a Saturday, Sunday or public holiday in Hong Kong).

- This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature. Please note that the list of identification document numbers in this announcement is not a complete list of successful applicants since only successful applicants whose identification document numbers are provided by CCASS are disclosed.
- Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **HK eIPO White Form**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

DESPATCH/COLLECTION OF SHARE CERTIFICATES/e-AUTO REFUND PAYMENT INSTRUCTIONS/REFUND CHEQUES

- Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more through **HK eIPO White Form** service and who have been successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect Share certificates in person may collect their share certificate(s) (where applicable) from the Hong Kong Share Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Friday, December 9, 2022, or such other date as notified by the Company as the date of despatch/collection of Share certificates/e-Auto Refund payment instructions/refund cheque(s).
- Applicants being individuals who are eligible for personal collection cannot authorize any other person to make collection on their behalf. Corporate applicants which are eligible for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations’ chops. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to Tricor Investor Services Limited.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied for less than 1,000,000 Hong Kong Offer Shares through the **HK eIPO White Form** service are expected to be despatched to those entitled to the addresses specified in the relevant application instructions by ordinary post at their own risk on or before Friday, December 9, 2022.
- Share certificates for Hong Kong Offer Shares allocated to applicants who applied through the **HK eIPO White Form** service which are either not available for personal collection or which are available but are not collected within the time specified for collection are expected to be despatched by ordinary post to those entitled to the addresses specified in the relevant applications at their own risk on or before Friday, December 9, 2022.

- Wholly or partially successful applicants who applied by giving **electronic application instructions** to HKSCC via CCASS will have their Share certificates issued in the name of HKSCC Nominees Limited and deposited into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants who gave **electronic application instructions** on their behalf on Friday, December 9, 2022.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them with that CCASS Participant.
- Applicants who applied as a CCASS Investor Participant by giving **electronic application instructions** to HKSCC via CCASS should check and report any discrepancies to HKSCC before 5:00 p.m. on Friday, December 9, 2022, or such other date as shall be determined by HKSCC or HKSCC Nominees. Applicants who applied as a CCASS Investor Participant by giving **electronic application instructions** to HKSCC via CCASS may also check the number of Hong Kong Offer Shares allocated to them and the amount of refund monies (if any) payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). Immediately after the crediting of the Hong Kong Offer Shares to the CCASS Investor Participants stock accounts and the crediting of the refund monies to the CCASS Investor Participants bank accounts, HKSCC will also make available to the CCASS Investor Participants an activity statement showing the number of Hong Kong Offer Shares credited to their stock accounts and the refund amount credited to their respective designated bank accounts (if any).
- Applicants who have applied for the Hong Kong Offer Shares through the **HK eIPO White Form** service and paid the application monies through a single bank account will have refund monies (if any) despatched to their application payment accounts in the form of e-Auto Refund payment instructions. Applicants who have applied for the Hong Kong Offer Shares through the **HK eIPO White Form** service and paid the application monies through multiple bank accounts will have refund monies (if any) despatched to the addresses specified in their application instructions in the form of refund cheque(s) in favour of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post at their own risk on or before Friday, December 9, 2022. No interest will be paid thereon.
- Refund monies (if any) for applicants who have applied by giving **electronic application instructions** to HKSCC via CCASS are expected to be credited to the relevant applicants’ designated bank accounts or the designated bank accounts of their brokers or custodians on Friday, December 9, 2022.
- Share certificates will only become valid evidence of title at 8:00 a.m. on Monday, December 12, 2022, provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination described in the section headed “Underwriting – Underwriting Arrangements and Expenses – Hong Kong Public Offering – Grounds for Termination” in the Prospectus has not been exercised. Investors who trade Shares on the basis of publicly available allocation details or prior to the receipt of the Share certificates or prior to the Share certificates becoming valid do so entirely at their own risk.
- The Company will not issue any temporary documents of title in respect of the Offer Shares and will not issue any receipt for application monies received.

PUBLIC FLOAT

- Immediately following completion of the Capitalization Issue and the Global Offering, the number of Shares in public hands will be 281,904,095 Shares, representing approximately 28.2% of the total number of issued Shares which satisfies the minimum percentage as prescribed by Rule 8.08 of the Listing Rules.

COMMENCEMENT OF DEALINGS

- Assuming that the Global Offering becomes unconditional at or before 8:00 a.m. on Monday, December 12, 2022, dealings in the Shares on the Main Board of the Stock Exchange are expected to commence at 9:00 a.m. on Monday, December 12, 2022. The Shares will be traded in board lots of 1,000 Shares each. The stock code of the Shares is 3611.

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.

FINAL OFFER PRICE

The final Offer Price has been determined at HK\$2.80 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%).

NET PROCEEDS FROM THE GLOBAL OFFERING

Based on the Offer Price of HK\$2.80 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting fees and commissions and the other estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$72.4 million. The Company intends to use the net proceeds from the Global Offering for the following purposes:

- approximately 25.0%, or HK\$18.1 million, will be used to further diversify and enrich the Group's products, content and services;
- approximately 35.0%, or HK\$25.4 million, will be used to implement the Group's marketing initiatives to expand the Group's user base and promote the Group's brand;
- approximately 20.0%, or HK\$14.5 million, will be used for selective acquisitions of or investment in products, services and businesses;
- approximately 10.0%, or HK\$7.2 million, will be used to strengthen the Group's research and development and technology capability; and
- approximately 10.0%, or HK\$7.2 million will be used for working capital and general corporate purposes.

As no over-allocation of International Offer Shares has been made, the Over-allotment Option has not been exercised and will not be exercised, and no additional proceeds are expected to be received by the Company in this connection.

For further information, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED

Hong Kong Public Offering

The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been very significantly over-subscribed. At the close of the application lists at 12:00 noon on Monday, December 5, 2022, a total of 11,708 valid applications have been received pursuant to the Hong Kong Public Offering through the **HK eIPO White Form** service and through the **CCASS EIPO** service for a total of 153,809,000 Hong Kong Offer Shares, representing approximately 33.44 times of the total number of 4,600,000 Hong Kong Offer Shares initially available for subscription under the Hong Kong Public Offering.

Out of the 11,708 valid applications for a total of 153,809,000 Hong Kong Offer Shares:

- 11,694 valid applications in respect of a total of 125,509,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$3.60 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.005%) of HK\$5 million or less, representing approximately 54.57 times of the 2,300,000 Hong Kong Offer Shares initially comprised in Pool A of the Hong Kong Public Offering; and
- 14 valid applications in respect of a total of 28,300,000 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$3.60 per Offer Share (excluding brokerage of 1%, SFC transaction levy of 0.0027%, AFRC transaction levy of 0.00015% and Stock Exchange trading fee of 0.005%) of more than HK\$5 million, representing 12.30 times of the 2,300,000 Hong Kong Offer Shares initially comprised in Pool B of the Hong Kong Public Offering.

No application has been rejected due to invalid application. 2 multiple or suspected multiple applications have been identified and rejected. No application has been rejected due to dishonored payment. No application for more than 2,300,000 Hong Kong Offer Shares (being 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering) has been identified.

As the over-subscription in the Hong Kong Public Offering represents 15 times or more but less than 50 times of the total number of Offer Shares initially available under the Hong Kong Public Offering, the reallocation procedure as described in the paragraph headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation” in the Prospectus has been applied and 9,200,000 Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Offer Shares under the Hong Kong Public Offering is 13,800,000 Shares, representing 30% of the total number of Offer Shares initially available under the Global Offering, and being allocated to 4,100 successful applicants under the Hong Kong Public Offering, of which 3,397 have been allocated one board lot of Offer Shares.

The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the section headed “Basis of Allocation under the Hong Kong Public Offering” below.

International Offering

The Offer Shares initially offered under the International Offering have been slightly over-subscribed. A total of 58,864,000 International Offer Shares have been subscribed, representing approximately 1.42 times of the total number of 41,400,000 Offer Shares initially available under the International Offering. After reallocation of the Offer Shares to the Hong Kong Public Offering from the International Offering, the final number of Offer Shares allocated to the places under the International Offering is 32,200,000 Shares, representing 70% of the total number of Offer Shares initially available under the Global Offering.

There are a total of 107 places under the International Offering. No over-allocation of International Offer Shares has been made. A total of 103 places have been allotted five board lots of the Offer Shares or less, representing approximately 96.3% of the 107 places under the International Offering. These places have been allotted 150,000 Offer Shares in total, representing approximately 0.36% of the 41,400,000 Offer Shares initially available under the International Offering (which represented 90% of the total number of Offer Shares initially available under the Global Offering). A total of 102 places have been allotted three board lots of the Offer Shares or less, representing approximately 95.3% of the 107 places under the International Offering. These places have been allotted 146,000 Offer Shares in total, representing approximately 0.35% of the 41,400,000 Offer Shares initially available under the International Offering (which represented 90% of the total number of Offer Shares initially available under the Global Offering). A total of 95 places have been allotted two board lots of the Offer Shares or less, representing approximately 88.8% of the 107 places under the International Offering. These places have been allotted 125,000 Offer Shares in total, representing approximately 0.30% of the 41,400,000 Offer Shares initially available under the International Offering (which represented 90% of the total number of Offer Shares initially available under the Global Offering). A total of 65 places have been allotted one board lot of the Offer Shares, representing approximately 60.7% of the 107 places under the International Offering. These places have been allotted 65,000 Offer Shares in total, representing approximately 0.16% of the 41,400,000 Offer Shares initially available under the International Offering (which represented 90% of the total number of Offer Shares initially available under the Global Offering).

Compliance with the Placing Guidelines

The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been financed directly or indirectly by the Company, any of the Directors, chief executive, Controlling Shareholders, substantial shareholders, existing Shareholders or any of their subsidiaries or their respective close associates; (ii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, any of the Directors, chief executive, Controlling Shareholders, substantial shareholders, existing Shareholders or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them; (iii) there is no side agreement or arrangement between the Company, any of the Directors, chief executive, Controlling Shareholders, substantial shareholders, existing Shareholders or any of their subsidiaries or their respective close associates, on one hand, and the public subscribers or the placee who has subscribed for the Offer Shares, on the other hand; and (iv) no Offer Shares placed by or through the Overall Coordinator, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or the Capital Market Intermediates

under the Global Offering have been placed with applicants who are core connected persons (as defined in the Listing Rules) of the Company, or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or persons set out in paragraph 5(2) of the Placing Guidelines, whether in their own names or through nominees. The International Offering is in compliance with the Placing Guidelines.

None of the Joint Sponsors, the Overall Coordinator, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, the Capital Market Intermediates and their respective affiliated companies and connected clients of the lead broker or of any distributors (as defined in the Placing Guidelines) has taken up any Offer Shares for its own benefit under the Global Offering.

The Directors also confirm that (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately following completion of the Capitalization Issue and the Global Offering; (ii) there will not be any new substantial shareholder (as defined in the Listing Rules) of the Company immediately following completion of the Capitalization Issue and the Global Offering; (iii) the number of Shares to be held by the public will satisfy the minimum percentage as prescribed by Rule 8.08(1)(a) of the Listing Rules immediately following completion of the Capitalization Issue and the Global Offering; (iv) the three largest public Shareholders do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules; and (v) there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules. The Directors further confirm that, to the best of their knowledge, all placees under the International Offering and their ultimate beneficial owners are not and are independent of any of (a) the core connected persons (as defined in the Listing Rules) of the Company, (b) the directors or existing shareholders of the Company or any of the Company's subsidiaries, or (c) the close associates (as defined in the Listing Rules) of (a) and/or (b) above whether in their own names or through nominees.

Over-allotment Option

In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable by the Joint Global Coordinators and the Overall Coordinators (for themselves and on behalf of the other International Underwriters), at any time from the Listing Date up to Wednesday, January 4, 2023, being the 30th day after the last day for lodging applications under the Hong Kong Public Offering, to require the Company to allot and issue up to an aggregate of 6,900,000 additional Shares, representing not more than 15% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price to cover the over-allocations in the International Offering, if any.

No over-allocation of International Offer Shares has been made. Therefore, the Stock Borrowing Agreement will not be entered into and the Over-allotment Option will not be exercised. In view of the fact that there has been no over-allocation in the International Offering, no stabilizing action as described in the Prospectus will take place during the stabilization period.

LOCK-UP OBLIGATIONS

The Company, the Controlling Shareholders, certain pre-IPO investors and certain existing Shareholder are subject to certain lock-up obligations in relation to the Shares (the “**Lock-up Obligations**”). The major terms of the Lock-up Obligations are set out as follows:

Name	Number of Shares subject to the Lock-up Obligations upon the Listing	Approximate percentage of the total issued Shares subject to the Lock-up Obligations upon the Listing ⁽¹⁾⁽²⁾	Last day subject to the Lock-up Obligations
The Company <i>(subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement)</i>	N/A	N/A	June 12, 2023 ⁽³⁾
The Controlling Shareholders <i>(subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement)</i>			
Pepper Blossom Limited ⁽⁴⁾	364,554,724	36.46%	September 12, 2023 (First Nine-month Period) December 12, 2023 (Following Three-month Period) ⁽⁶⁾
Zhou Hongyi ⁽⁴⁾	364,554,724	36.46%	September 12, 2023 (First Nine-month Period) December 12, 2023 (Following Three-month Period) ⁽⁶⁾
Global Bacchus Limited ⁽⁵⁾	353,541,181	35.35%	September 12, 2023 (First Nine-month Period) December 12, 2023 (Following Three-month Period) ⁽⁶⁾

Name	Number of Shares subject to the Lock-up Obligations upon the Listing	Approximate percentage of the total issued Shares subject to the Lock-up Obligations upon the Listing ⁽¹⁾⁽²⁾	Last day subject to the Lock-up Obligations
Songcheng Performance Development Co., Ltd. ⁽⁵⁾	353,541,181	35.35%	September 12, 2023 (First Nine-month Period) December 12, 2023 (Following Three-month Period) ⁽⁶⁾

Pre-IPO investors⁽⁷⁾
(subject to lock-up obligations pursuant to the respective lock-up agreements)

JY Infinitas Ltd.	27,522,173	2.75%	May 12, 2023
Mango Ningze Ltd.	14,678,483	1.47%	May 12, 2023
Shanghai Huawei Equity Investment Limited Partnership (L.P.)	3,669,621	0.37%	May 12, 2023
AAPC NETWORK Ltd.	25,100,224	2.51%	May 12, 2023
Wingsound Technology Limited	6,616,336	0.66%	May 12, 2023
Myanmar Commercial Asset Management Company Limited	1,671,140	0.17%	May 12, 2023
Three Birds Holdings Limited	16,711,451	1.67%	May 12, 2023

Other existing Shareholder
(subject to lock-up obligation pursuant to the lock-up agreement)⁽⁸⁾

Blossom Bliss Limited	59,624,995	5.96%	September 12, 2023
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Notes:

- (1) Excluding Shares to be issued under the Pre-IPO Share Option Scheme.
- (2) The percentage figures are subject to rounding adjustments.
- (3) The Company may not issue Shares on or before the indicated date except otherwise permitted by the Listing Rules.

- (4) Pepper Blossom Limited is ultimately controlled by Mr. Zhou Hongyi, a Controlling Shareholder.
- (5) Global Bacchus Limited is wholly owned by Songcheng Performance Development Co., Ltd., a Controlling Shareholder.
- (6) The Controlling Shareholders shall not (a) dispose of any Shares in the First Nine-month Period; and (b) dispose of Shares in the Following Three-month Period if immediately following such disposal the Controlling Shareholders would cease to be the Controlling Shareholders or a group of Controlling Shareholders for the purpose of the Listing Rules.
- (7) Each of the pre-IPO investors shall not dispose of any of its existing Shares on or before the indicated date. For details of the pre-IPO investments and the pre-IPO investors, please see the sections headed “History, Reorganization and Corporate Structure – Pre-IPO Investments” in the Prospectus.
- (8) Blossom Bliss Limited shall not dispose of any of its existing Shares on or before the indicated date.

BASIS OF ALLOCATION UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the section headed “Structure of the Global Offering – Conditions of the Global Offering” in the Prospectus, 11,708 valid applications made by the public through the **HK eIPO White Form** service and the **CCASS EIPO** service will be conditionally allocated on the basis set out below:

Number of Shares applied for	Number of valid applications	Basis of allocation/ballot POOL A	Approximate percentage allotted of the total number of Shares applied for
1,000	5,981	1,196 out of 5,981 applicants to receive 1,000 shares	20.00%
2,000	2,251	680 out of 2,251 applicants to receive 1,000 shares	15.10%
3,000	737	244 out of 737 applicants to receive 1,000 shares	11.04%
4,000	89	33 out of 89 applicants to receive 1,000 shares	9.27%
5,000	197	79 out of 197 applicants to receive 1,000 shares	8.02%
6,000	67	31 out of 67 applicants to receive 1,000 shares	7.71%
7,000	36	18 out of 36 applicants to receive 1,000 shares	7.14%
8,000	77	42 out of 77 applicants to receive 1,000 shares	6.82%
9,000	36	22 out of 36 applicants to receive 1,000 shares	6.79%
10,000	1,269	787 out of 1,269 applicants to receive 1,000 shares	6.20%
20,000	276	1,000 shares plus 50 out of 276 applicants to receive an additional 1,000 shares	5.91%
30,000	122	1,000 shares plus 83 out of 122 applicants to receive an additional 1,000 shares	5.60%
40,000	51	2,000 shares plus 7 out of 51 applicants to receive an additional 1,000 shares	5.34%
50,000	176	2,000 shares plus 88 out of 176 applicants to receive an additional 1,000 shares	5.00%

Number of Shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of Shares applied for
60,000	37	2,000 shares plus 31 out of 37 applicants to receive an additional 1,000 shares	4.73%
70,000	18	3,000 shares plus 2 out of 18 applicants to receive an additional 1,000 shares	4.44%
80,000	21	3,000 shares plus 7 out of 21 applicants to receive an additional 1,000 shares	4.17%
90,000	9	3,000 shares plus 5 out of 9 applicants to receive an additional 1,000 shares	3.95%
100,000	106	3,000 shares plus 85 out of 106 applicants to receive an additional 1,000 shares	3.80%
200,000	46	7,000 shares plus 19 out of 46 applicants to receive an additional 1,000 shares	3.71%
300,000	25	10,000 shares plus 20 out of 25 applicants to receive an additional 1,000 shares	3.60%
400,000	15	14,000 shares	3.50%
500,000	18	17,000 shares	3.40%
600,000	5	19,000 shares plus 4 out of 5 applicants to receive an additional 1,000 shares	3.30%
700,000	6	22,000 shares plus 3 out of 6 applicants to receive an additional 1,000 shares	3.21%
800,000	4	25,000 shares plus 1 out of 4 applicants to receive an additional 1,000 shares	3.16%
900,000	5	28,000 shares	3.11%
1,000,000	14	30,000 shares	3.00%
TOTAL	<u>11,694</u>	Total number of Pool A successful applicants: 4,086	

POOL B

2,000,000	13	487,000 shares plus 9 out of 13 applicants to receive an additional 1,000 shares	24.38%
2,300,000	1	560,000 shares	24.35%
TOTAL	<u>14</u>	Total number of Pool B successful applicants: 14	

The final number of Offer Shares under the Hong Kong Public Offering is 13,800,000 Shares, representing 30% of the total number of Offer Shares initially available under the Global Offering.

The final number of Offer Shares available in the International Offering is 32,200,000 Shares, representing 70% of the total number of Offer Shares initially available under the Global Offering.

RESULTS OF ALLOCATIONS

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 will be made available on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.huafang.com by no later than 9:00 a.m. on Friday, December 9, 2022.

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **HK eIPO White Form** service or through the **CCASS EIPO** service, including the Hong Kong identity card numbers, passport numbers, Hong Kong business registration numbers, certificate of incorporation numbers or beneficial owner identification codes of successful applicants (where applicable) and the number of Hong Kong Offer Shares, successfully applied for, will be made available at the times and dates and in the manner specified below:

- in the announcement to be posted on the Company's website at www.huafang.com and the Stock Exchange's website at www.hkexnews.hk by no later than 9:00 a.m. on 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 or www.hkeipo.hk/IPOResult with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Friday, December 9, 2022 to 12:00 midnight on Thursday, December 15, 2022; and
- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. on Friday, December 9, 2022 to Wednesday, December 14, 2022 (excluding any days which is a Saturday, Sunday or public holiday in Hong Kong).

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed "Results of Applications Made by **HK eIPO White Form**" in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed "Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS" in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature. Please note that the list of identification document numbers in this announcement is not a complete list of successful applicants since only successful applicants whose identification document numbers are provided by CCASS are disclosed.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed "Results of Applications Made by **HK eIPO White Form**" and "Results of Applications Made by Giving Electronic Application Instructions to HKSCC via CCASS" are redacted and not all details of applications are disclosed in this announcement.

SHAREHOLDING CONCENTRATION ANALYSIS

A summary of allotment results under the International Offering is set out below:

- Top 1, 5, 10, 20 and 25 of the places in the International Offering (based on final number of Offer Shares allocated to the places under the International Offering after reallocation):

Placee	Number of International Offer Shares subscribed for	Number of Shares held upon Listing	Subscription as approximate percentage of the International Offering	Subscription as approximate percentage of the total Offer Shares	Approximate percentage of the total issued Shares upon Listing
Top 1	16,775,000	16,775,000	52.1%	36.5%	1.7%
Top 5	32,054,000	32,054,000	99.5%	69.7%	3.2%
Top 10	32,069,000	32,069,000	99.6%	69.7%	3.2%
Top 20	32,091,000	32,091,000	99.7%	69.8%	3.2%
Top 25	32,101,000	32,101,000	99.7%	69.8%	3.2%

- Top 1, 5, 10, 20 and 25 of all the Shareholders upon Listing (based on final number of Offer Shares allocated to the places under the International Offering after reallocation):

Shareholder	Number of Hong Kong Offer Shares subscribed for	Number of International Offer Shares subscribed for	Number of Offer Shares subscribed for	Number of Shares held upon Listing	Subscription as approximate percentage of the Hong Kong Public Offering	Subscription as approximate percentage of the International Offering	Subscription as approximate percentage of the total Offer Shares	Approximate percentage of the total issued Shares upon Listing
Top 1	0	0	0	364,554,724	0.0%	0.0%	0.0%	36.5%
Top 5	0	0	0	856,195,761	0.0%	0.0%	0.0%	85.6%
Top 10	0	16,775,000	16,775,000	956,983,092	0.0%	52.1%	36.5%	95.7%
Top 20	1,536,000	32,050,000	33,586,000	987,586,000	11.1%	99.5%	73.0%	98.8%
Top 25	3,976,000	32,050,000	36,026,000	990,026,000	28.8%	99.5%	78.3%	99.0%

In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.