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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 made pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong). This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. This announcement is not a prospectus. Potential investors should read the Prospectus for detailed information about the Company and the Global Offering before deciding whether or not to invest in the Offer Shares. Any investment decision in relation to the Global Offering should be taken solely in reliance on the information provided in the Prospectus.

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Huafang Group Inc. 花房集团公司 (Incorporated in the Cayman Islands with limited liability) (Stock Code: 3611)

END OF STABILIZING PERIOD, STABILIZING ACTIONS AND LAPSE OF OVER-ALLOTMENT OPTION

END OF STABILIZING PERIOD

Pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), the Company announces that the stabilizing period in connection with the Global Offering ended on Wednesday, January 4, 2023, being the 30th day after the last day for lodging of applications under the Hong Kong Public Offering.

STABILIZING ACTIONS AND LAPSE OF OVER-ALLOTMENT OPTION

As there was no over-allocation of the Shares under the International Offering, the Joint Global Coordinators and the Overall Coordinators (for themselves and on behalf of the International Underwriters) did not exercise the Over-allotment Option, and no stabilizing actions as described in the Prospectus in relation to the Global Offering were carried out by the Stabilizing Manager, its affiliates or any person acting for it during the stabilizing period.

The Over-allotment Option lapsed on Wednesday, January 4, 2023, being the 30th day after the last day for lodging of applications under the Hong Kong Public Offering.

PUBLIC FLOAT

Immediately after the end of the stabilizing period, the Company will continue to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules pursuant to which at least 25% of the Company's total number of issued Shares must at all times be held by the public.

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

Hong Kong, January 4, 2023

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.