



**PRESS RELEASE**

**FOR IMMEDIATE RELEASE**

## **Haitong International Acted as Joint Sponsor for Huafang IPO Deal**

**Hong Kong, 12 December 2022** – Haitong International Securities Group Limited ("Haitong International" or "the Group"; 665.HK) has completed an IPO deal in Hong Kong for Huafang Group Inc. ("Huafang Group"; 3611.HK), acting as Joint Sponsor, Overall Coordinator, Joint Global Coordinator, Joint Bookrunner and Joint Lead Manager.

Haitong International's investment banking team played a vital role in various stages like sponsorship, execution and underwriting of the issuance, assisting the company in coordinating with various parties to promote the progress of the IPO project and execution of the timetable. Haitong also advised the company on the most appropriate arrangements throughout the project. During the IPO project, the investment banking team understood the company's situation thoroughly and proposed the most effective solutions. At the same time, the Group kept close communication with the regulatory authorities to fully understand their main concerns, thus assisting the company to launch the project smoothly.

Riding on its extensive network, Haitong International assisted the company in exploring potential investors. The international placement of Huafang was oversubscribed, while the public offering in the Hong Kong market recorded an oversubscription of over 33 times. The offer price was determined at HKD 2.80 per share, raising a total of approximately HKD 130 million (assuming the over-allotment option is not exercised). Shares of Huafang Group were successfully listed on the Hong Kong Stock Exchange today, with the highest stock price of HKD3.65, up 30% from its IPO price.

Huafang Group is an Internet company in China, focusing on the sphere of online social entertainment, with a business portfolio from live streaming to a suite of multi-faceted video- and audio-based social networking products and services. It ranked third among all online entertainment live streaming platforms in China in terms of revenue generated from apps and websites on mobile and PC, as well as WeChat mini programs in 2021, accounting for approximately 13.1% of total revenue of China's entertainment live streaming platforms. It accumulated over 410 million registered users and had an average of 58 million monthly active users in the first five months ended May 2022.

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#### **Haitong International Securities Group Limited**

Haitong International Securities Group Limited ("Haitong International"; Stock Code: 665.HK) is an international financial institution with established presence in Hong Kong and a rapidly expanding network across the globe. It strives to serve as a bridge linking up the Chinese and overseas capital markets. The parent company of Haitong International is Haitong Securities Co. Ltd ("Haitong Securities", Stock Code: 600837.SH; 6837.HK).

Haitong International is well positioned to serve corporate, institutional, as well as high-net worth clients worldwide. Its well-established financial services platform provides a full spectrum of financial offerings including private wealth management, corporate finance, asset management and global markets (key businesses include sales and trading of both equity and fixed income products, prime brokerage and risk management solutions, and research advisory) businesses. Haitong International possesses a sound risk management system that is in line with international standards. The Company has been assigned a "Baa2" long-term issuer rating by Moody's and a "BBB" long-term credit rating by Standard and Poor's. Haitong International is also a high performer in terms of ESG and corporate governance. It has been assigned "A" in ESG rating by MSCI and included in the FTSE4Good Index by FTSE Russell. Haitong International has a global financial servicing network covering the world's major capital markets including Hong Kong, Singapore, New York, London, Tokyo, Mumbai and Sydney, thereby making it a world-class Chinese financial institution with international competitiveness, systemic importance and brand influence.

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