

DESPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND MONIES

Share certificates for wholly or partially successful applications on **WHITE** Application Forms and refund cheques in respect of wholly or partially unsuccessful applications on **WHITE** and **YELLOW** Application Forms, without interest and together with the related brokerage of 1%, SFC transaction levy of 0.004% and Hong Kong Stock Exchange trading fee of 0.005% attributable to the unsuccessful applications, are expected to be despatched by ordinary post to those entitled to the addresses as stated in their Application Forms at their own risk on 6 March 2008. Applicants who have applied for 1,000,000 Hong Kong Offer Shares or more using a **WHITE** or **YELLOW** Application Form and have indicated their intention on the Application Form to collect their refund cheque(s) (where applicable) and/or share certificate(s) (where applicable) in person from the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong from 9:00 a.m. to 1:00 p.m. on 6 March 2008 or any other date notified by the Company in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese) as the date of despatch of refund cheque(s) and/or the share certificate(s) (where applicable). If you do not collect the refund cheque(s) (where applicable) and share certificate(s) (where applicable) personally within the time specified for collection, they will be sent promptly by ordinary post to the address as specified in your Application Form and at your own risk. Applicants who have applied for less than 1,000,000 Hong Kong Offer Shares using a **WHITE** or **YELLOW** Application Form or have applied for 1,000,000 Hong Kong Offer Shares or more but have not indicated on the Application Form that they will collect their refund cheque(s) (where applicable) and/or share certificate(s) (where applicable) in person, their refund cheque(s) (where applicable) and/or share certificate(s) (where applicable) will be sent to the addresses on their Application Forms on 6 March 2008, by ordinary post and at their own risk. Applicants being individuals who opt for personal collection must not authorise any other person to make the collection on their behalf. Applicants being corporations who opt for personal collection must attend by their authorised representatives bearing a letter of authorisation from their corporations stamped with the corporations' respective chops. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to Computershare Hong Kong Investor Services Limited. Share certificates will only become valid certificates of title provided that the Hong Kong Public Offer has become unconditional in all respects and neither of the underwriting agreements has been terminated in accordance with its terms, which is expected to be at around 8:00 a.m. on 7 March 2008. For more information, please see the section headed "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for termination" in the Prospectus.

Refund monies for wholly or partially unsuccessful applications without interest and together with the related brokerage of 1%, SFC transaction levy of 0.004% and Hong Kong Stock Exchange trading fee of 0.005% attributable to the unsuccessful applications, in respect of **electronic application instructions** through HKSCC will be credited to the designated bank accounts of the relevant CCASS Participants on 6 March 2008. Applicants applying by giving **electronic application instructions** to HKSCC through their designated CCASS Participants (other than CCASS Investor Participants) may (where applicable) check the refund amount through their designated CCASS Participants. Applicants applying by giving **electronic application instructions**

to HKSCC as CCASS Investor Participants can check the amount of refund monies payable to them via the CCASS phone system or the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) on 6 March 2008 or in the activity statements made available to them by HKSCC.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

For those successful applicants using **YELLOW** Application Forms and applying by giving **electronic application instructions** to HKSCC who are allotted Hong Kong Offer Shares in the name of HKSCC Nominees, the allotted Hong Kong Offer Shares will be deposited directly into CCASS for credit to their designated CCASS Participants' stock accounts by the close of business on 6 March 2008 or under a contingency situation, on any other date as shall be determined by HKSCC or HKSCC Nominees.

Applicants using **YELLOW** Applications Forms (and who are CCASS Investor Participants) and applicants applying by giving **electronic application instructions** to HKSCC should check the results of the Hong Kong Public Offer published herein and report any discrepancies to HKSCC before 5:00 p.m. on 6 March 2008 or such other date as shall be determined by HKSCC or HKSCC Nominees. For CCASS Investor Participants applying by giving **electronic application instructions** to HKSCC, they can also check the application results via the CCASS Phone System and CCASS Internet Systems.

Applicants applying (whether using **YELLOW** Application Forms or by giving **electronic application instructions** to HKSCC) through their designated CCASS Participants (other than CCASS Investor Participants) can arrange with their designated CCASS Participants to advise them of the number of Hong Kong Offer Shares allotted under their applications. For CCASS Investor Participants, they can also check their new account balance and the amount of refund monies (if any) payable to them via the CCASS phone system or the CCASS internet system immediately after the credit of the Hong Kong Offer Shares to their stock accounts on 6 March 2008. HKSCC will also make available to such applicants activity statements showing the number of Hong Kong Offer Shares credited to their CCASS Investor Participants stock accounts and (for CCASS Investor Participants applying by giving **electronic application instructions** to HKSCC) the refund amount credited to their respective designated bank accounts (if any).

PUBLIC FLOAT

Immediately following completion of the Global Offering and before the exercise of the Over-allotment Option, the number of Shares in public hands represent approximately 25% of the total issued share capital of the Company and this percentage will satisfy the minimum percentage of public float of 25% of the Company's total issued share capital.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on the Hong Kong Stock Exchange are expected to commence at 9:30 a.m. on 7 March 2008.

By order of the board of
Honghua Group Limited
Zhang Mi
Chairman

Hong Kong, 6 March, 2008

As at the date of this announcement, our directors are Mr. Zhang Mi, Mr. Ren Jie and Mr. Zhang Xu as executive directors, Mr. Wang Yaixin, Mr. Xiang Qingsheng and Mr. He Sean Xing as non-executive directors, and Mr. Qi Daqing, Mr. Liu Xiaofeng, Mr. Chen Guoming, Mr. Liu Yinchun, Mr. Wang Li, Mr. Tai Kwok Leung Alexander and Mr. Wang Chunlin as independent non-executive directors.

*Please also refer to the published version of this announcement in **South China Morning Post**.*