

## Monthly Return of Equity Issuer on Movements in Securities

For the month ended  
(dd/mm/yyyy) :

31/03/2018

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer Honghua Group Limited

Date Submitted 03/04/2018

### I. Movements in Authorised Share Capital

#### 1. Ordinary Shares

(1) Stock code : 196 Description : \_\_\_\_\_

|                                     | No. of ordinary<br>shares | Par value<br>(HK\$) | Authorised share<br>capital<br>(HK\$) |
|-------------------------------------|---------------------------|---------------------|---------------------------------------|
| Balance at close of preceding month | <u>10,000,000,000</u>     | <u>0.10</u>         | <u>1,000,000,000</u>                  |
| Increase/(decrease)                 | <u>--</u>                 |                     | <u>--</u>                             |
| Balance at close of the month       | <u>10,000,000,000</u>     | <u>0.10</u>         | <u>1,000,000,000</u>                  |

(2) Stock code : \_\_\_\_\_ Description : \_\_\_\_\_

|                                     | No. of ordinary<br>shares | Par value<br>(State<br>currency) | Authorised share<br>capital<br>(State currency) |
|-------------------------------------|---------------------------|----------------------------------|-------------------------------------------------|
| Balance at close of preceding month | _____                     | _____                            | _____                                           |
| Increase/(decrease)                 | _____                     |                                  | _____                                           |
| Balance at close of the month       | _____                     | _____                            | _____                                           |

## 2. Preference Shares

|                                     |                                |                                            |                                                          |
|-------------------------------------|--------------------------------|--------------------------------------------|----------------------------------------------------------|
| Stock code :                        | _____                          | Description :                              | _____                                                    |
|                                     | No. of<br>preference<br>shares | Par value<br>( <i>State<br/>currency</i> ) | Authorised share<br>capital<br>( <i>State currency</i> ) |
| Balance at close of preceding month | _____                          | _____                                      | _____                                                    |
| Increase/(decrease)                 | _____                          |                                            | _____                                                    |
| Balance at close of the month       | _____                          | _____                                      | _____                                                    |

## 3. Other Classes of Shares

|                                     |                                      |                                            |                                                          |
|-------------------------------------|--------------------------------------|--------------------------------------------|----------------------------------------------------------|
| Stock code :                        | _____                                | Description :                              | _____                                                    |
|                                     | No. of other<br>classes of<br>shares | Par value<br>( <i>State<br/>currency</i> ) | Authorised share<br>capital<br>( <i>State currency</i> ) |
| Balance at close of preceding month | _____                                | _____                                      | _____                                                    |
| Increase/(decrease)                 | _____                                |                                            | _____                                                    |
| Balance at close of the month       | _____                                | _____                                      | _____                                                    |

Total authorised share capital at the end of the month  
(*HK\$*) :

**1,000,000,000**

## II. Movements in Issued Share Capital

|                                       | No. of ordinary shares |     | No of preference shares | No. of other classes of shares |
|---------------------------------------|------------------------|-----|-------------------------|--------------------------------|
|                                       | (1)                    | (2) |                         |                                |
| Balance at close of preceding month   | 5,355,649,900          | N/A | N/A                     | N/A                            |
| Increase/ (decrease) during the month | 45,000                 | N/A | N/A                     | N/A                            |
| Balance at close of the month         | 5,355,694,900          | N/A | N/A                     | N/A                            |

## III. Details of Movements in Issued Share Capital

### Share Options (under Share Option Schemes of the Issuer)

| Particulars of share option scheme including EGM approval date (dd/mm/yyyy) and class of shares issuable                | Movement during the month |           |           |        | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|-------------------------------------------------------------------------------------------------------------------------|---------------------------|-----------|-----------|--------|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
|                                                                                                                         | Granted                   | Exercised | Cancelled | Lapsed |                                                                      |                                                                                           |
| <u>1.Share Option</u><br><u>Exercise Price</u><br><u>HK\$1.27</u><br><u>(21/01/2008)</u><br>Ordinary shares<br>(Note 1) | --                        | --        | --        | --     | --                                                                   | 38,186,500                                                                                |
| <u>2.Share Option</u><br><u>Exercise Price</u><br><u>HK\$0.83</u><br><u>(21/01/2008)</u><br>Ordinary shares<br>(Note 1) | --                        | --        | --        | --     | --                                                                   | 7,293,000                                                                                 |
| <u>3.Share Option</u><br><u>Exercise Price</u><br><u>HK\$1.19</u><br><u>(21/01/2008)</u><br>Ordinary shares<br>(Note 1) | --                        | --        | --        | --     | --                                                                   | 10,906,000                                                                                |

|                                                                               |    |        |    |              |        |            |
|-------------------------------------------------------------------------------|----|--------|----|--------------|--------|------------|
| 4.Share Option                                                                |    |        |    |              |        |            |
| Exercise Price                                                                |    |        |    |              |        |            |
| HK\$2.024                                                                     |    |        |    |              |        |            |
| (21/01/2008)                                                                  |    |        |    |              |        |            |
| Ordinary shares                                                               | -- | --     | -- | --           | --     | 3,200,000  |
| (Note 1)                                                                      |    |        |    |              |        |            |
| 5.Share Option                                                                |    |        |    |              |        |            |
| Exercise Price                                                                |    |        |    |              |        |            |
| HK\$1.96                                                                      |    |        |    |              |        |            |
| (21/01/2008)                                                                  |    |        |    |              |        |            |
| Ordinary shares                                                               | -- | --     | -- | 70,920       | --     | 16,605,256 |
| (Note 1)                                                                      |    |        |    |              |        |            |
| 6.Share Option                                                                |    |        |    |              |        |            |
| Exercise Price                                                                |    |        |    |              |        |            |
| HK\$0.44                                                                      |    |        |    |              |        |            |
| (21/01/2008)                                                                  |    |        |    |              |        |            |
| Ordinary shares                                                               | -- | 45,000 | -- | 105,000      | 45,000 | 39,172,000 |
| (Note 1)                                                                      |    |        |    |              |        |            |
| Total A. (Ordinary shares)                                                    |    |        |    |              | 45,000 |            |
| (Preference shares)                                                           |    |        |    |              | N/A    |            |
| (Other class)                                                                 |    |        |    |              | N/A    |            |
| Total funds raised during the month from exercise of options (State currency) |    |        |    | HKD19,800.00 |        |            |

## Warrants to Issue Shares of the Issuer which are to be Listed

| Description of warrants<br>(Date of expiry - dd/mm/yyyy) | Currency<br>of nominal<br>value | Nominal value<br>at close of<br>preceding<br>month | Exercised<br>during the<br>month | Nominal value<br>at close of the<br>month | No. of new<br>shares of<br>issuer<br>issued<br>during the<br>month<br>pursuant<br>thereto | No. of new<br>shares of<br>issuer which<br>may be<br>issued<br>pursuant<br>thereto as at<br>close of the<br>month |
|----------------------------------------------------------|---------------------------------|----------------------------------------------------|----------------------------------|-------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| 1.                                                       |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| (   /   /   )                                            |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Stock code (if listed)                                   |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Class of shares<br>issuable ( <i>Note 1</i> )            |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Subscription price                                       |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| EGM approval date<br>(if applicable)<br>(dd/mm/yyyy)     |                                 | (   /   /   )                                      |                                  |                                           |                                                                                           |                                                                                                                   |
| 2.                                                       |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| (   /   /   )                                            |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Stock code (if listed)                                   |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Class of shares<br>issuable ( <i>Note 1</i> )            |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Subscription price                                       |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| EGM approval date<br>(if applicable)<br>(dd/mm/yyyy)     |                                 | (   /   /   )                                      |                                  |                                           |                                                                                           |                                                                                                                   |
| 3.                                                       |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| (   /   /   )                                            |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Stock code (if listed)                                   |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Class of shares<br>issuable ( <i>Note 1</i> )            |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Subscription price                                       |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| EGM approval date<br>(if applicable)<br>(dd/mm/yyyy)     |                                 | (   /   /   )                                      |                                  |                                           |                                                                                           |                                                                                                                   |
| 4.                                                       |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| (   /   /   )                                            |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Stock code (if listed)                                   |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Class of shares<br>issuable ( <i>Note 1</i> )            |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| Subscription price                                       |                                 |                                                    |                                  |                                           |                                                                                           |                                                                                                                   |
| EGM approval date<br>(if applicable)<br>(dd/mm/yyyy)     |                                 | (   /   /   )                                      |                                  |                                           |                                                                                           |                                                                                                                   |
| Total B.                                                 |                                 |                                                    |                                  | (Ordinary shares)                         |                                                                                           |                                                                                                                   |
|                                                          |                                 |                                                    |                                  | (Preference shares)                       |                                                                                           |                                                                                                                   |
|                                                          |                                 |                                                    |                                  | (Other class)                             |                                                                                           |                                                                                                                   |

Convertibles (i.e. Convertible into Shares of the Issuer which are to be Listed)

| Class and description                          | Currency of amount outstanding | Amount at close of preceding month | Converted during the month | Amount at close of the month | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|------------------------------------------------|--------------------------------|------------------------------------|----------------------------|------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| 1.                                             |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| Stock code (if listed)                         | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| Class of shares issuable ( <i>Note 1</i> )     | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| Subscription price                             | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| EGM approval date (if applicable) (dd/mm/yyyy) | (   /   /   )                  | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| 2.                                             |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| Stock code (if listed)                         | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| Class of shares issuable ( <i>Note 1</i> )     | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| Subscription price                             | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| EGM approval date (if applicable) (dd/mm/yyyy) | (   /   /   )                  | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| 3.                                             |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| Stock code (if listed)                         | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| Class of shares issuable ( <i>Note 1</i> )     | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| Subscription price                             | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| EGM approval date (if applicable) (dd/mm/yyyy) | (   /   /   )                  | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| 4.                                             |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| _____                                          |                                |                                    |                            |                              |                                                                      |                                                                                           |
| Stock code (if listed)                         | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| Class of shares issuable ( <i>Note 1</i> )     | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| Subscription price                             | _____                          | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
| EGM approval date (if applicable) (dd/mm/yyyy) | (   /   /   )                  | _____                              | _____                      | _____                        | _____                                                                | _____                                                                                     |
|                                                |                                |                                    | Total C. (Ordinary shares) | _____                        |                                                                      |                                                                                           |
|                                                |                                |                                    | (Preference shares)        | _____                        |                                                                      |                                                                                           |
|                                                |                                |                                    | (Other class)              | _____                        |                                                                      |                                                                                           |

Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

| Full particulars including EGM approval date (dd/mm/yyyy), if applicable, and class of shares issuable: | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| 1. _____<br>_____<br>_____<br>_____<br>(   /   /   )<br>shares (Note 1)                                 |                                                                      |                                                                                           |
| 2. _____<br>_____<br>_____<br>_____<br>(   /   /   )<br>shares (Note 1)                                 |                                                                      |                                                                                           |
| 3. _____<br>_____<br>_____<br>_____<br>(   /   /   )<br>shares (Note 1)                                 |                                                                      |                                                                                           |
| Total D. (Ordinary shares)                                                                              |                                                                      |                                                                                           |
| (Preference shares)                                                                                     |                                                                      |                                                                                           |
| (Other class)                                                                                           |                                                                      |                                                                                           |
|                                                                                                         |                                                                      |                                                                                           |

## Other Movements in Issued Share Capital

| Type of Issue   |            |                      |                                                                                                                                       | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|-----------------|------------|----------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| 1. Rights issue | At price : | State currency _____ | Class of shares _____ issuable (Note 1)<br>Issue and allotment date : (dd/mm/yyyy) ( / / )<br>EGM approval date: (dd/mm/yyyy) ( / / ) | _____                                                                | _____                                                                                     |
| 2. Open offer   | At price : | State currency _____ | Class of shares _____ issuable (Note 1)<br>Issue and allotment date : (dd/mm/yyyy) ( / / )<br>EGM approval date: (dd/mm/yyyy) ( / / ) | _____                                                                | _____                                                                                     |
| 3. Placing      | At price : | State currency _____ | Class of shares _____ issuable (Note 1) ( / / )<br>Issue and allotment date : (dd/mm/yyyy) ( / / )<br>EGM approval date: (dd/mm/yyyy) | _____                                                                | _____                                                                                     |
| 4. Bonus issue  |            |                      | Class of shares _____ issuable (Note 1)<br>Issue and allotment date : (dd/mm/yyyy) ( / / )<br>EGM approval date: (dd/mm/yyyy) ( / / ) | _____                                                                | _____                                                                                     |



| Type of Issue           |            |                      |                                                                                                                                                           | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|-------------------------|------------|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| 5. Scrip dividend       | At price : | State currency _____ | Class of shares _____<br>issuable ( <i>Note 1</i> )<br><br>Issue and allotment date : (dd/mm/yyyy) ( / / )<br><br>EGM approval date: ( / / ) (dd/mm/yyyy) |                                                                      |                                                                                           |
| 6. Repurchase of shares |            |                      | Class of shares _____<br>repurchased ( <i>Note 1</i> )<br><br>Cancellation date : ( / / ) (dd/mm/yyyy)<br><br>EGM approval date: ( / / ) (dd/mm/yyyy)     |                                                                      |                                                                                           |
| 7. Redemption of shares |            |                      | Class of shares _____<br>redeemed ( <i>Note 1</i> )<br><br>Redemption date : ( / / ) (dd/mm/yyyy)<br><br>EGM approval date: ( / / ) (dd/mm/yyyy)          |                                                                      |                                                                                           |
| 8. Consideration issue  | At price : | State currency _____ | Class of shares _____<br>issuable ( <i>Note 1</i> )<br><br>Issue and allotment date : (dd/mm/yyyy) ( / / )<br><br>EGM approval date: ( / / ) (dd/mm/yyyy) |                                                                      |                                                                                           |

| Type of Issue              |                                                 |                                         |  | No. of new shares of issuer issued during the month pursuant thereto | No. of new shares of issuer which may be issued pursuant thereto as at close of the month |
|----------------------------|-------------------------------------------------|-----------------------------------------|--|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| 9. Capital reorganisation  | Class of shares _____ issuable (Note 1)         |                                         |  |                                                                      |                                                                                           |
|                            | Issue and allotment date : (dd/mm/yyyy) ( / / ) |                                         |  |                                                                      |                                                                                           |
|                            | EGM approval date: (dd/mm/yyyy) ( / / )         |                                         |  |                                                                      |                                                                                           |
|                            |                                                 |                                         |  | _____                                                                | _____                                                                                     |
| 10. Other (Please specify) | At price : State currency _____                 | Class of shares _____ issuable (Note 1) |  | ( / / )                                                              |                                                                                           |
|                            |                                                 | Issue and allotment date : (dd/mm/yyyy) |  | ( / / )                                                              |                                                                                           |
|                            |                                                 | EGM approval date: (dd/mm/yyyy)         |  |                                                                      |                                                                                           |
|                            |                                                 |                                         |  | _____                                                                | _____                                                                                     |
|                            |                                                 |                                         |  |                                                                      |                                                                                           |
| Total E. (Ordinary shares) |                                                 |                                         |  | --                                                                   |                                                                                           |
| (Preference shares)        |                                                 |                                         |  | N/A                                                                  |                                                                                           |
| (Other class)              |                                                 |                                         |  | N/A                                                                  |                                                                                           |

|                                                                                                                  |     |        |
|------------------------------------------------------------------------------------------------------------------|-----|--------|
| Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E):                          | (1) | 45,000 |
|                                                                                                                  | (2) | N/A    |
| Total increase / (decrease) in preference shares during the month (i.e. Total of A to E):                        |     | N/A    |
| Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E):                  |     | N/A    |
| (These figures should be the same as the relevant figures under II above ("Movements in Issued Share Capital").) |     |        |

Remarks (if any):

Subject to Share Option Scheme, 175,920 options were lapsed in March 2018.

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Submitted by: He Bin

Title: Joint Company Secretary  
(Director, Secretary or other duly authorised officer)

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Notes :

1. *State the class of shares (e.g. ordinary, preference or other).*
2. *If there is insufficient space, please append the prescribed continuation sheet.*