
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 6-K

**REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934**

For the month of September 2022

Commission file number: 001-39109

Fangdd Network Group Ltd.

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Nanshan District, Shenzhen, 518057
People's Republic of China
Phone: +86 755 2699 8968**

(Address and Telephone Number of Principal Executive Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F. Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submitted to furnish a report or other document that the registrant foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's "home country"), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and, if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

EXHIBIT INDEX

Exhibit No.	Description
99.1	FangDD Reports First Half 2022 Unaudited Financial Results
99.2	Press Release

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Fangdd Network Group Ltd.

By: /s/ Xi Zeng

Name: Xi Zeng

Title: Chief Executive Officer

Date: September 1, 2022

FangDD Reports First Half 2022 Unaudited Financial Results

SHENZHEN, China, Aug. 31, 2022 (GLOBE NEWSWIRE) - Fangdd Network Group Ltd. (NASDAQ: DUO) (“FangDD” or “the Company”), a leading property technology company in China, today announced its unaudited financial results for the six months ended June 30, 2022.

First Half 2022 Financial Highlights

- The Company ceased business cooperation with high credit risk developers, which resulted in a 79.1% decrease in revenue to RMB144.8 million (US\$21.6 million) for the six months ended June 30, 2022 from RMB692.5 million for the same period of 2021.
- Net loss for the six months ended June 30, 2022 decreased by 21.2% to RMB192.1 million (US\$28.7 million) from RMB243.9 million for the same period of 2021.
- Non-GAAP net loss¹ for the six months ended June 30, 2022 was 182.9 million (US\$27.3 million), compared to non-GAAP net loss of RMB220.9 million for the same period of 2021.

First Half 2022 Operating Highlights

- The number of closed-loop agents² was 9.4 thousand for the six months ended June 30, 2022, representing a decrease of 74.9% from 37.4 thousand for the same period of 2021.
- Total closed-loop GMV³ facilitated on the Company’s platform decreased by 81.2% to RMB11.2billion (US\$1.7 billion) for the six months ended June 30, 2022 from RMB59.5 billion for the same period of 2021. New property and resale property contributed RMB9.2 billion (US\$1.4 billion) and RMB2.0 billion (US\$0.3 billion), respectively, to the total closed-loop GMV in the first half 2022. The decline in closed-loop GMV was mainly due to the continued downturn status of real estate market and the corresponding measures that the Company has taken to reduce its business scale, including cessation of business cooperation with high credit risk developers to avoid further losses caused by developer credit risk.

¹ Non-GAAP net loss is defined as net loss excluding share-based compensation expenses. For more information on these non-GAAP financial measures, please see the section captioned “Non-GAAP Financial Measures” and the tables captioned “Reconciliation of GAAP and Non-GAAP Results” set forth at the end of this release.

² Closed-loop agents refer to real estate agents who have completed closed-loop transactions in the Company’s marketplace under the Company’s monitoring and control. Closed-loop transactions refer to property transactions in which the major steps are completed or managed by real estate agents in the Company’s marketplace.

³ “Closed-loop GMV” refers to the GMV of closed-loop transactions facilitated in the Company’s marketplace during the specified period. Closed-loop transactions refer to property transactions in which the major steps are completed or managed by real estate agents in the Company’s marketplace.

Mr. Xi Zeng, Chairman and Chief Executive Officer of FangDD, commented, “In the first half of 2022, new property sales decreased by 28.9% year-over-year in China, which represents the largest decline in the recent two decades, and the real estate industry is exposed to accelerating risks of a sharp downward trend. With the relaxation of property market cooling measures, the market is expected to bottom out. In the first half of 2022, the Company continued to control risks and seek development to survive the market downturn. Going forward, the Company will strengthen cooperation with high-quality developers, improve account-receivables management, and ensure healthy cash flow. At the same time, the Company will continue to explore the second growth curve in digitalization and asset services.”

Ms. Jiaorong Pan, Chief Operating Officer of FangDD, added, “In sustained downturn of the real estate market in China, the Company continued to implement the strategy of reducing cost and improving efficiency, and the effect gradually emerged. In the first half of 2022, cost of revenue decreased by 76.5% and net loss narrowed gradually. The Company will continue to enhance its operational capabilities, improve the ability to resist risks, and be ready to embrace market changes.”

First Half 2022 Financial Results

REVENUE

Revenue for the six months ended June 30, 2022 decreased by 79.1% to RMB144.8 million (US\$21.6 million) from RMB692.5 million for the same period of 2021. The decrease was mainly due to the decrease in total closed-loop GMV facilitated on the Company’s platform by 81.2% to RMB11.2 billion (US\$1.7 billion) for the six months ended June 30, 2022 from RMB59.5 billion for the same period of 2021, which in turn resulted from i) the continued property market downturn and the Company’s actions to cease business cooperation with high credit risk developers to avoid further losses caused by developer credit risk, ii) the resurgence of COVID-19 outbreaks in China, which caused strict containment measures by the government to prevent the spread of the virus and as a result significantly affected the Company’s business development, and iii) the measures that the Company has taken to reduce its business scale of new property and resale property transaction service business to minimize its exposure to the systematic risk of real estate industry in the continued downturn.

Despite the current challenges, the Company has continued to optimize its revenue mix and prioritized the value-added services and new business initiatives, including its SaaS solutions for various platform participants. Revenue from SaaS solutions increased by 7.3% to RMB3.18 million (US\$0.48 million) in the first half of 2022 from RMB2.97million for the same period of 2021. The increase was primarily attributable to an increase in the number of new property projects which we provide SaaS solutions for developers.

COST OF REVENUE

Cost of revenue for the six months ended June 30, 2022 decreased by 76.5% to RMB140.1 million (US\$20.9 million) from RMB596.7 million for the same period of 2021. The decrease was primarily due to the significant drop in revenue for both new property and resale property transaction services, which resulted in a decrease in the commission fees payable to agents for their services.

GROSS PROFIT AND GROSS MARGIN

Gross profit for the six months ended June 30, 2022 decreased by 95.1% to RMB4.7 million (US\$0.7 million) from RMB95.8 million for the same period of 2021. Gross margin for the six months ended June 30, 2022 decreased to 3.2% from 13.8% for the same period of 2021. The decrease was mainly because: i) we strategically adjusted our new property business scale and resale property to avoid further losses due to continuous downturn of real estate transactions market, and ii) the development of other value added services offered to various platform participants with higher gross profit margins has not yet reached a scale, so its contribution to our gross profit is currently limited.

OPERATING EXPENSES

Operating expenses for the six months ended June 30, 2022, which included share-based compensation expenses of RMB9.2 million (US\$1.4 million), decreased by 47.0% to RMB182.90 million (US\$27.3 million) from RMB345.4 million of the same period of 2021, which included share-based compensation expenses of RMB23.0 million.

- Sales and marketing expenses for the six months ended June 30, 2022 decreased to RMB8.8 million (US\$1.3 million) from RMB51.0 million for the same period of 2021. The decrease was primarily due to the optimization of the sales department composition, the reduced spending on marketing activities related to new property transaction services, and reduced scale of the resale property transactions.
- Product development expenses for the six months ended June 30, 2022 were RMB39.8 million (US\$5.9 million) compared to RMB101.7 million for the same period of 2021. The decrease was attributable to the decreases in personnel-related expenses following the Company's decision to significantly cut investments in research and development for resale property business.
- General and administrative expenses for the six months ended June 30, 2022 were RMB134.3 million (US\$20.1 million) compared to RMB192.7 million for the same period of 2021. The decrease was mainly due to: i) the decrease in provision of impairment of certain assets, such as accounts receivable due from developers, other accounts receivable of project deposits and short-term investments, and ii) the actions that the Company has taken to improve operating efficiency, including the action to reduce redundant positions, due to the expected continuation of the current market condition in the foreseeable future.

NET LOSS

Net loss for the six months ended June 30, 2022 was RMB192.1 million (US\$28.7 million), compared to a net loss of RMB243.9 million for the same period of 2021.

Non-GAAP net loss for the six months ended June 30, 2022 was RMB182.9 million (US\$27.3 million), compared to non-GAAP net loss of RMB220.9 million for the same period of 2021.

NET LOSS PER ADS

Basic and diluted net loss per American Depositary Share (“ADS”) for the six months ended June 30, 2022 were both RMB36.08 (US\$5.39). In comparison, the Company’s basic and diluted net loss attributable to ordinary shareholders per ADS for the same period of 2021 were both RMB43.80. Each ADS represents 375 of our Class A ordinary shares.

Liquidity

As of June 30, 2022, the Company had cash and cash equivalents, restricted cash, and short-term investments of RMB278.1 million (US\$41.5 million), short-term bank borrowings of RMB84.8 million (US\$12.7 million), and un-utilized bank facilities of RMB30.0 million (US\$4.5 million). For the six months ended June 30, 2022, net cash used in operating activities was RMB45.7 million (US\$6.8 million).

Exchange Rate

This press release contains translations of certain Renminbi amounts into U.S. dollars at specified rates solely for the convenience of readers. Unless otherwise noted, all translations from Renminbi to U.S. dollar, in this press release, were made at a rate of RMB6.6981 to US\$1.00, the exchange rate set forth in the H.10 statistical release of the Federal Reserve Board on June 30, 2022. The Company makes no representation that the Renminbi or U.S. dollar amounts referred could be converted into U.S. dollar or Renminbi, as the case may be, at any particular rate or at all.

Non-GAAP Financial Measures

To supplement the financial measures prepared in accordance with generally accepted accounting principles in the United States, or GAAP, this press release presents non-GAAP loss from operations, non-GAAP operating margin, non-GAAP net loss and non-GAAP net margin by excluding share-based compensation expenses from loss from operations and net loss. The non-GAAP financial measures are not defined under U.S. GAAP and are not presented in accordance with U.S. GAAP. The Company believes these non-GAAP financial measures are important to help investors understand the Company’s operating and financial performance, compare business trends among different reporting periods on a consistent basis and assess the Company’s core operating results, as they exclude certain expenses that are not expected to result in cash payments. Using the above non-GAAP financial measures has certain limitations. Share-based compensation expenses have been and will continue to be incurred in the future and are not reflected in the presentation of the non-GAAP financial measures, but should be considered in the overall evaluation of the Company’s results. These non-GAAP financial measures should be considered in addition to financial measures prepared under GAAP, but should not be considered a substitute for, or superior to, financial measures prepared under GAAP. The Company compensates for these limitations by reconciling these non-GAAP financial measures to the most directly comparable U.S. GAAP measures, which should be considered when evaluating the Company’s performance. Reconciliation of each of these non-GAAP financial measures to the most directly comparable GAAP financial measure is set forth at the end of this release.

About FangDD

Fangdd Network Group Ltd. (Nasdaq: DUO) is a leading property technology company in China, operating one of the largest online real estate marketplaces in the country. Through innovative use of mobile internet, cloud, big data, artificial intelligence, among others, FangDD has fundamentally revolutionized the way real estate transaction participants conduct their business through a suite of modular products and solutions powered by SaaS tools, products and technology. For more information, please visit <http://ir.fangdd.com>.

Safe Harbor Statement

This announcement contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “aim,” “anticipate,” “believe,” “estimate,” “expect,” “hope,” “going forward,” “intend,” “ought to,” “plan,” “project,” “potential,” “seek,” “may,” “might,” “can,” “could,” “will,” “would,” “shall,” “should,” “is likely to” and the negative form of these words and other similar expressions. Among other things, statements that are not historical facts, including statements about FangDD’s beliefs and expectations, the business outlook and quotations from management in this announcement, as well as FangDD’s strategic and operational plans, are or contain forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following. The general economic and business conditions in China may deteriorate. The growth of Internet and mobile user population in China might not be as strong as expected. FangDD’s plan to attract new and retain existing real estate agents, expand property listings, develop new products and increase service offerings might not be carried out as expected. FangDD might not be able to implement all of its strategic plans as expected. Competition in China may intensify further. All information provided in this press release is as of the date of this press release and are based on assumptions that the Company believes to be reasonable as of this date, and FangDD undertakes no obligation to update any forward-looking statement, except as required under applicable law.

Investor Relations Contact

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Fangdd Network Group Ltd.

SELECTED UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS DATA

(All amounts in thousands of Renminbi, except for share and per share data)

	As of December 31, 2021	As of June 30, 2022
Assets		
Current assets		
Cash and cash equivalents	492,107	239,231
Restricted cash	24,131	34,709
Short-term investments	6,150	4,150
Accounts receivable, net	884,740	677,902
Prepayments and other current assets	220,171	178,680
Inventory	-	10,969
Total current assets	1,627,299	1,145,641
Total assets	1,912,983	1,372,366
LIABILITIES		
Current liabilities		
Short-term bank borrowings	134,780	84,780
Accounts payable	1,175,943	913,109
Customers' refundable fees	30,997	40,430
Accrued expenses and other payables	238,198	170,094
Income taxes payable	813	4,721
Total current liabilities	1,580,731	1,213,134
Total liabilities	1,609,306	1,242,047
Total Fangdd Network Group Ltd. shareholders' equity	313,259	134,780
Non-controlling interests	(9,582)	(4,461)
Total equity	303,677	130,319
Total liabilities and equity	1,912,983	1,372,366

Fangdd Network Group Ltd.

SELECTED UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) DATA

(All amounts in thousands, except for share and per share data)

	For the Six Months Ended June 30,	
	2021	2022
Revenue	692,460	144,834
Cost of revenues	(596,655)	(140,128)
Gross profit	95,805	4,706
Operating expenses:		
Sales and marketing expenses	(50,995)	(8,802)
Product development expenses	(101,743)	(39,797)
General and administrative expenses	(192,677)	(134,300)
Total operating expenses	(345,415)	(182,899)
Loss from operations	(249,610)	(178,193)
Net loss	(243,867)	(192,100)
Net loss attributable to minority shareholders	9,650	(4,745)
Net loss attributable to ordinary shareholders	(234,217)	(196,845)
Net loss	(243,867)	(192,100)
Other comprehensive (loss) income		
Foreign currency translation adjustment, net of nil income taxes	(3,915)	9,159
Total comprehensive loss, net of income taxes	(247,782)	(182,941)
Total comprehensive loss attributable to minority shareholders	9,650	(4,745)
Total comprehensive loss attributable to ordinary shareholders	(238,132)	(187,686)
Net loss per share		
- Basic	(0.12)	(0.10)
- Diluted	(0.12)	(0.10)
Net loss per ADS		
- Basic	(43.80)	(36.08)
- Diluted	(43.80)	(36.08)
Weighted average number of ordinary shares used in computing net loss per share, basic and diluted		
- Basic	2,005,851,928	2,046,388,131
- Diluted	2,005,851,928	2,046,388,131

Reconciliation of GAAP and Non-GAAP Results

(All amounts in thousands, except for share and per share data)

	For the Six Months Ended June 30,	
	2021	2022
GAAP loss from operations	(249,610)	(178,193)
Share-based compensation expenses	22,956	9,207
Non-GAAP loss from operations	(226,654)	(168,986)
GAAP net loss	(243,867)	(192,100)
Share-based compensation expenses	22,956	9,207
Non-GAAP net loss	(220,911)	(182,893)
GAAP operating margin	(36.05%)	(123.03%)
Share-based compensation expenses	3.32%	6.36%
Non-GAAP operating margin	(32.73%)	(116.68%)
GAAP net margin	(35.22%)	(132.63%)
Share-based compensation expenses	3.32%	6.36%
Non-GAAP net margin	(31.90%)	(126.28%)

FANGDD ANNOUNCES BOARD AND MANAGEMENT CHANGES

SHENZHEN, China, Aug. 31, 2022 (GLOBE NEWSWIRE) -- Fangdd Network Group Ltd. (Nasdaq: DUO) (“FangDD” or the “Company”), a leading property technology company in China, today announced a few changes of the Company’s board of directors (the “Board”), Audit Committee and management.

- The Board has appointed Mr. Senlin Peng as a director of the Company and a member of the Audit Committee, to succeed Mr. Ronald Cao, who has resigned from these positions for personal reasons.
- Ms. Jiaorong Pan has stepped down as the Company’s Chief Financial Officer and assumed the role of the Chief Operating Officer of the Company, responsible for the corporate governance and execution of business strategies, plans and procedures, among other things.
- Mr. Shuiying Chen has been appointed as the Company’s financial controller in charge of financial and accounting matters as the Company’s principal financial and accounting officer.
- Mr. Jiancheng Li has resigned as the Company’s Chief Technology Officer.

Mr. Senlin Peng has rich operational and financial experience. Since he joined ColorLife Group in 2000, a renowned children furniture manufacturer in China, Mr. Peng has served multiple positions, including a member of the company’s board of directors since 2011, the Chief Executive Officer of the company from 2005 to 2010 in charge of overall business operations, and a Vice President from 2000 to 2004 in charge of financial and operational divisions. In addition, Mr. Peng holds several directorships. Since 2018, Mr. Peng has served as the chairman of the board of directors of Morgan-Casa Furniture Co., Ltd., a high growth furniture designer and manufacturer in China, and since 2014, Mr. Peng has served as a director at Shenzhen Forbest Photoelectric Technology Co., Ltd., a leading Chinese optical product manufacturer. Mr. Peng graduated from Jimei University (formerly known as Jimei Finance College) in 1992 and received an MBA degree from China Europe International Business School in 2007. The Board has determined that Mr. Peng satisfies the independence requirements of Rule 5605(c)(2) of the Listing Rules of the Nasdaq Stock Market and Rule 10A-3 under the Securities Exchange Act of 1934, as amended.

Mr. Shuiying Chen joined FangDD in 2019. Before he was appointed as the Company’s financial controller, Mr. Chen had previously held a variety of financial management positions with the Company, including the Company’s financial executive manager, financial deputy manager and financial director. In these roles, Mr. Chen was responsible for the Company’s financial reporting, planning and budgeting, financial compliance and internal controls. Prior to joining FangDD, Mr. Chen worked at Shenzhen Fantasia Cultural Tourism Management Co., Ltd. as the financial manager from 2017 to 2019, at Country Garden Group as a listing reporting and financial analysis manager from 2016 to 2017, and at China Southern Airlines as a financial analyst from 2009 to 2016. Mr. Chen holds a bachelor’s degree in management from Jinan University in 2009.

These Board, Audit Committee and management changes became effective on August 30, 2022.

“Since joining our Board over eight years ago, Mr. Cao has consistently made impactful contributions to FangDD and has provided expert guidance to our company. On behalf of my fellow Board members and management team, I would like to thank Mr. Cao for his dedicated service to the company,” Mr. Xi Zeng, Chairman of the Board and Chief Executive Officer of FangDD, commented. “We are pleased to be welcoming Mr. Peng to join our Board and Audit Committee, and we look forward to working closely together to drive the performance of our business.”

“The renewed leadership and senior management team will bring a great breadth of perspectives, which will be instrumental in helping us successfully navigate the complex while volatile environment of the real estate industry,” said Mr. Xi Zeng. “I am confident that these changes will improve FangDD’s core decision-making skills and accelerate the execution of our strategic priorities.”

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Investor Relations Contact

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