

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of the Company.



SHIFANG HOLDING LIMITED

十方控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1831)

**(I) INCREASE IN AUTHORISED SHARE CAPITAL; AND
(II) SUPPLEMENTAL AGREEMENT AND
FURTHER DELAY IN DISPATCH OF
CIRCULAR IN RESPECT OF
MAJOR TRANSACTION IN RELATION TO
THE ACQUISITION OF
THE ENTIRE ISSUED SHARE CAPITAL OF
SUPREME GLORY LIMITED**

Reference is made to (i) the announcement of ShiFang Holding Limited (the “**Company**”) dated 8 May 2017 in relation to the proposed acquisition of the entire issued share capital of Supreme Glory Limited (the “**Announcement**”); (ii) the announcements of the Company dated 31 May 2017, 30 June 2017, 31 July 2017, 31 August 2017, 29 September 2017, 31 October 2017, 30 November 2017 and 29 December 2017 in relation to the delay in dispatch of circular and the extension of the Long Stop Date; and (iii) the clarification announcement of the Company dated 8 August 2017. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

As disclosed in the announcement of the Company dated 19 December 2017, the Company entered into a placing agreement (the “**Placing Agreement**”) dated 19 December 2017 with a placing agent (the “**Placing Agent**”) in relation to the placing of 289,666,000 Shares (the “**Placing**”) under the general mandate approved by the Shareholders at the annual general meeting of the Company held on 25 May 2017. Completion of the Placing took place on 25 January 2018, whereby a total of 289,666,000 Shares have been successfully placed by the Placing Agent to not less than six independent placees pursuant to the terms and conditions of the Placing Agreement. As a result of completion of the Placing, the authorized but unissued Shares are 262,003,879 Shares as at the date of this announcement, which is not sufficient for the issue and allotment of 550,000,000 Consideration Shares.

In order to facilitate the issue and allotment of the Consideration Shares and provide the Company with greater flexibility to raise fund or finance acquisitions through the allotment and issue of shares or securities convertible into shares, the Directors propose that the authorised share capital of the Company be increased from HK\$200,000,000 divided into 2,000,000,000 Shares to HK\$1,000,000,000 divided into 10,000,000,000 Shares by the creation of 8,000,000,000 additional Shares (the “**Increase in Authorised Share Capital**”), which will, upon issue and being fully paid, rank pari passu in all respects with the Shares in issue.

THE SUPPLEMENTAL AGREEMENT

Pursuant to (i) the Acquisition Agreement; and (ii) the supplemental agreements dated 31 July 2017, 29 September 2017 and 30 November 2017 entered into between the Company and the Vendors, the Long Stop Date for the fulfillment or waiver of the Conditions is 31 January 2018 (or such later date as may be agreed in writing between the Company and the Vendors). In order to allow additional time for the parties to procure the satisfaction of the Conditions and facilitate the issue and allotment of the Consideration Shares, on 31 January 2018, the Company and the Vendors entered into a fourth supplemental agreement, pursuant to which the Company and the Vendors have agreed to:

- (i) include an additional condition precedent to Completion, being “*the Increase in Authorised Share Capital being approved by the Shareholders at the EGM.*”; and

- (ii) further extend the Long Stop Date to 31 March 2018 (or such later date as may be agreed in writing between the Company and the Vendors).

Save as the disclosed above, all other terms and conditions of the Acquisition Agreement remain unchanged and in full force and effect in all respects.

FURTHER DELAY IN DISPATCH OF CIRCULAR

As disclosed in the announcement dated 29 December 2017, a circular (the “**Circular**”) containing, among other things, (i) further details of the Acquisition; (ii) financial information on the Target Group; (iii) the valuation report in relation to the fair market value of the Acquired Interest; (iv) a notice of EGM; and (v) other information as required under the Listing Rules, is expected to be dispatched to the Shareholders on or before 31 January 2018.

As additional time is required for the Company to prepare and finalise certain information to be included in the Circular, it is expected that the dispatch of the Circular will be delayed to a date on or before 28 February 2018.

By order of the Board
ShiFang Holding Limited
Siuming Tsui

Executive Director and Chief Executive Officer

Hong Kong, 31 January 2018

As at the date of this announcement, the executive Directors are Mr. Siuming Tsui (Chief Executive Officer), Mr. Chen Zhi and Mr. Yu Shi Quan; the non-executive Directors are Mr. Chen Wei Dong and Ms. Chen Min; and the independent non-executive Directors are Mr. Zhou Chang Ren, Mr. Wong Heung Ming, Henry and Mr. Cai Jian Quan.