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SHIFANG HOLDING LIMITED

十方控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1831)

**VOLUNTARY ANNOUNCEMENT –
COOPERATIVE FRAMEWORK AGREEMENT REGARDING
THE ESTABLISHMENT OF A DIGITAL MEDIA JOINT
VENTURE**

This announcement is a voluntary announcement made by ShiFang Holding Limited (the “**Company**”, which together with its subsidiaries are collectively referred to as the “**Group**”) to update its shareholders and the public about the latest business development of the Group.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 14 March 2019, Xiamen Duke Information Science & Technology Co., Ltd. (廈門讀客信息科技有限公司) (“**Xiamen Duke**”, a wholly-owned subsidiary of the Group) and Fujian Huaping Electronics Technology Development Co., Ltd. (福建華屏電子科技發展有限公司) (“**Huaping Electronics**”) entered into a cooperative framework agreement (the “**Cooperative Agreement**”) in relation to the possible establishment of a joint venture company (the “**JV Company**”) to engage in the cooperation (the “**Proposed Cooperation**”) on digital media business in China. The Cooperative Agreement contemplates that the registered capital of the JV Company is initially RMB30 million, which is proposed to be 51% contributed by Xiamen Duke and 49% by Huaping Electronics. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, Huaping Electronics and its ultimate beneficial owners are third parties independent of and not connected with the Company or its connected persons.

The Proposed Cooperation is subject to, inter alia, further negotiation of the corporate and management structure and shareholders' rights of the JV Company and the signing of a formal binding agreement (the “**Binding Agreement**”) within 30 days after the date of the Cooperative Agreement (or such longer period as extended by mutual agreement between the parties). Save and except the clauses regarding exclusivity, costs and expenses, governing law and jurisdiction which are legally binding, all other provisions of the Cooperative Agreement are non-legally binding.

The Directors are of the view that the entering into of the Cooperative Agreement represents the Group's commitment to develop its digital media business with the view to broadening its income stream in the long run. The Directors consider that the terms of the Cooperative Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its Shareholders as a whole.

If the Cooperative Agreement proceeds to the signing of the Binding Agreement, it is currently expected that the capital contribution committed by the Group to the JV Company under the Proposed Cooperation may constitute a discloseable transaction for the Company under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Further announcement relating to the Proposed Cooperation will be made by the Company if the Proposed Cooperation proceeds to the signing of the Binding Agreement.

By order of the Board
ShiFang Holding Limited
Siuming Tsui

Executive Director and Chief Executive Officer

Hong Kong, 14 March 2019

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.